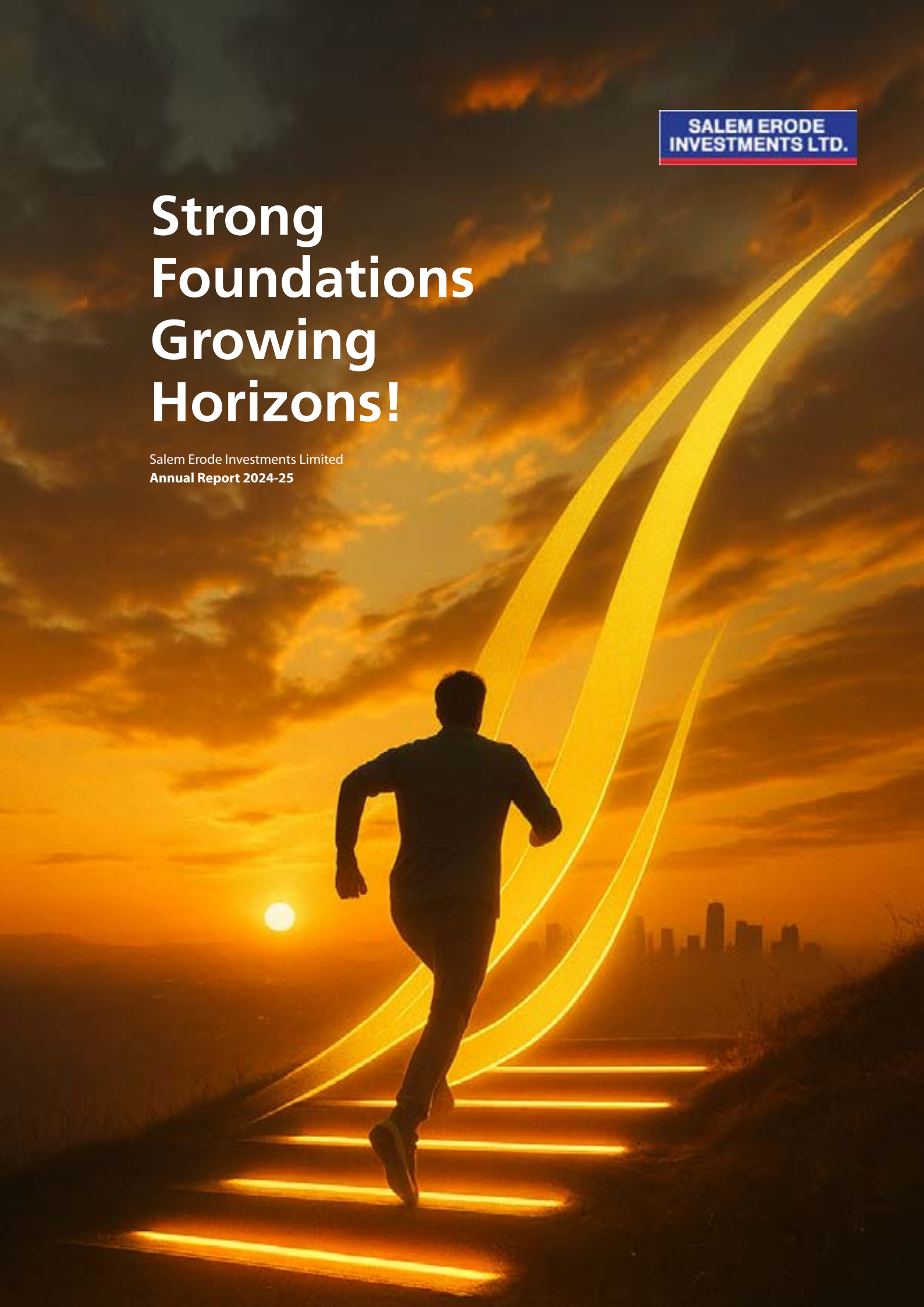


SALEM ERODE  
INVESTMENTS LTD.

# Strong Foundations Growing Horizons!

Salem Erode Investments Limited  
Annual Report 2024-25



# Table of Content

## Corporate Overview

Business Philosophy	01
Business Profile	06
Message from the Managing Director	08
Key Institutional Strengths	10
Our Board	12

## Financial Statements

Independent Auditor's Report	59
Balance Sheet	68
Statement of Profit & Loss	69
Cash Flow Statement	70
Notes to Accounts	72

## Statutory Report

Corporate Information	13
Notice	14
Board's Report	23

## Forward-looking statements

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

A BSE-listed company  
Subsidiary of ICL Fincorp Limited

# Business Philosophy

## Vision

Our vision is to grow and establish ourselves globally and be recognized as the most acceptable and trusted financial institution, excelling in customer service delivery with utmost satisfaction through committed, passionate, gentle and empowered employees.

## Mission

Our mission is to provide the best and trusted financial solutions to our clients and strive to build long term relationships with them, taking into account their needs as well as the changing market dynamics.

Our mission is to provide simply the best and trusted financial solutions to our esteemed clients and strive to formulate healthy and mutually rewarding long-lasting relationships with them, bearing in mind their necessities and aspirations with due substance to the impact of transforming market dynamics.

### Our Core Values



**Customer Satisfaction**

---



**Passionate about Excellence**

---



**Fair to All**

---



**Seeking Excellence**

---



**Accountability and Ownership**

---



**Teamwork and Collaboration**

---



# Strong Foundations Growing Horizons!





## Strength in Gold, Trust in Tradition

**The financial year 2024-25 reaffirmed our belief in the timeless value of gold, not just as a commodity, but as a foundation of trust, resilience and economic empowerment.**

At Salem Erode Investments Limited, we continue to build on the deep cultural and economic relevance of gold in India. This strategic focus has enabled us to support lakhs of customers in meeting their urgent financial needs through accessible, transparent and secure gold loan solutions.

Our performance this year reflects the enduring trust placed in us by our customers and our ability to adapt to evolving market conditions while staying anchored in prudence, customer-centricity and long-term growth.

As we move ahead, our theme of “Solid Foundations, Growing Horizons” encapsulates our purpose of enabling financial inclusion through gold loan financial solutions.

# Business Profile

## Salem Erode Investments Limited is a Non-Banking Financial Company (NBFC) specializing in gold loan financing.

Headquartered in Tamil Nadu, Salem Erode Investments Limited (SEIL) was founded with the vision of providing fast, reliable and secure financial assistance against gold assets of customers. Today, the company has evolved into one of the most trusted gold loan providers.

Our primary area of operations spans the states of Tamil Nadu and Odisha where gold ownership per capita is high. Leveraging this demographic strength, we offer customised gold loan services to customers across both rural and urban locations, empowering them to meet their exigent financial needs.

Our streamlined processes, stringent asset security protocols and deep community connect have positioned us as a lender of choice in the gold loan segment. As we continue to digitize and diversify our operations, SEIL remains firmly rooted in its founding values of integrity, simplicity and service, moving towards new horizons of growth and value creation.







## Key highlights, FY 2024-25

**38 branches in Tamil Nadu and Odisha**

Branch network

**1681 active customers**

Customer base

**₹13.59 crore**

Gold loan AUM

**Short tenure loans from 3-24 months with flexible repayment terms**

Loan tenure options

**₹43,000**

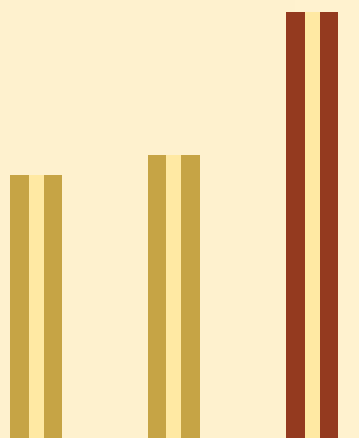
Average loan ticket size

## Financial performance

### Gold loan AUM

₹ lakhs

2022-23      2023-24      2024-25



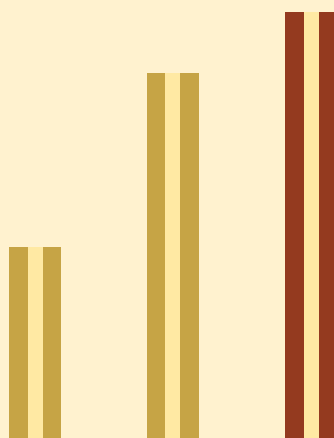
876.44

879.74

1,359.43

### Branches

2022-23      2023-24      2024-25



13

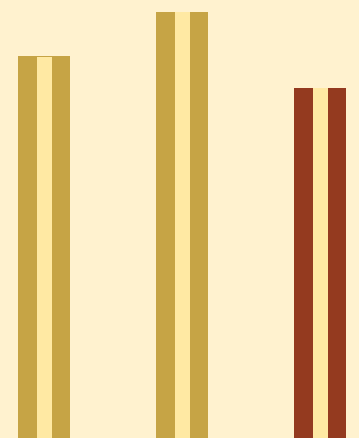
32

38

### Total Income

₹ lakhs

2022-23      2023-24      2024-25



403.01

413.95

390.77

# Message from the Managing Director

## Laying the Groundwork for Sustainable Growth

Dear Stakeholders,

**It is my privilege to present to you my statement for the financial year 2024-25. This year has been a defining period for Salem Erode Investments Limited (SEIL), a year where we sharpened our focus, strengthened our foundations and positioned ourselves for scalable and sustainable growth in the years ahead.**

As a company deeply rooted in the tradition of trust and service through gold-backed financial solutions, we understand the responsibility that comes with being a financial lifeline for thousands of households. In a landscape marked by macroeconomic uncertainties, changing consumer expectations and increasing regulatory oversight, we remained steadfast in our mission of delivering timely, secure and accessible credit to our customers while transforming ourselves to meet the opportunities of the future.

### A Year of Consolidation and Operational Strengthening

Our strategic focus this past year revolved around the key pillars of operational efficiency, productivity enhancement, agility in decision-making and institutional resilience. These pillars are not just buzzwords for us; they are the practical foundations on which our future growth will be built.

We undertook a comprehensive review of our processes across all levels, from customer onboarding and loan disbursement to branch operations and compliance systems. By streamlining workflows and reducing redundancies, we achieved measurable gains in productivity and loan turnaround time, thus enhancing both customer satisfaction and employee efficiency.







In parallel, we invested in staff training, operational enhancement and digital enablement to create a more agile and adaptable organization. Our aim is to ensure that every branch manager, field officer and back-end executive is equipped to serve our customers better, respond to market needs faster and operate with greater empowerment with accountability.

### Branch Footprint and Market Focus

During FY 2024-25, SEIL operated 38 strategically located branches across the key states of Tamil Nadu and Odisha. The company opened 6 new branches during the year.

Tamil Nadu continues to be our primary market, accounting for the majority share of our portfolio. It is a state where gold ownership is deeply entrenched in both urban and rural cultures, providing a consistent and reliable base for our lending model.

Our entry into Odisha on the other hand marks the beginning of our calibrated geographical expansion beyond South India. Odisha presents unique socio-economic dynamics and a rising appetite for organized credit. We have approached this market thoughtfully, prioritizing customer education, local talent hiring and community-based outreach to build trust and visibility.

While we are positioning our branch network for future growth, our focus has been on depth over breadth. We are committed to ensuring that every location is operationally sound, compliant and profitable before any expansion. This disciplined approach gives us a stable platform on which to scale the business.

**Tamil Nadu continues to be our primary market, accounting for the majority share of our portfolio. It is a state where gold ownership is deeply entrenched in both urban and rural cultures, providing a consistent and reliable base for our lending model.**

### Preparing for Future Growth

Looking ahead, SEIL is preparing to move from a phase of consolidation to strategic expansion. Our long-term strategy is to evolve into a more agile, customer-centric and technology-enabled NBFC, with gold loans at the core, but supplemented over time by allied financial products and services.

We believe a future-ready organization is only as good as its people. This past year, we invested in structured training programs, incentive realignments, and a more transparent feedback culture. Going forward, we will continue to nurture a workforce that is both performance-driven and customer-focused. Moving ahead, we are also exploring avenues to strengthen our capital base so that we remain well-prepared to fund future growth opportunities when they arise.

Amidst a volatile macro environment, SEIL has remained resilient. Our gold-backed lending model offers inherent security, but what truly differentiates us is the discipline with which we operate. We maintained a healthy loan-to-value (LTV) ratio of between 65-75%, a conservative provisioning policy and a strong asset quality, reflected in our stable NPA levels. We remain committed to responsible lending, prioritizing customer retention over short-term disbursement spikes.

As we close FY 2024-25, I am optimistic about the journey ahead. With a stable platform, a clear strategy and an experienced team, SEIL is now ready to take the next step in its growth trajectory. Together, we are building something enduring, not just a financial institution but a trusted partner in the financial journey of countless households.

Thank you for your continued trust and support.

**K.G. Anilkumar**



# Key Institutional Strengths

## Operational consolidation

- ✦ SEIL has focused on consolidating operations in its core markets (Tamil Nadu and Odisha), ensuring each branch meets profitability, compliance and productivity benchmarks
- ✦ Emphasis on branch-level efficiency with better staff training, digitized operations and stronger customer engagement at the ground level.

## Digitization

- ✦ Digital tools are being integrated to improve loan processing, customer onboarding and renewals.
- ✦ Customer self-service platforms are being introduced, especially for loan top-ups and renewals, to enhance user experience and reduce physical branch load
- ✦ Movement toward digital record-keeping, risk monitoring and MIS reporting for faster decision-making.



## Data-driven credit management

- ✦ Increased use of analytics and data intelligence to guide credit underwriting, predict default patterns and boost collection strategies
- ✦ Use of historical repayment behaviour and asset valuation trends to maintain a conservative loan-to-value (LTV) ratio and strong asset quality

## Relationships and culture

- ✦ Deepening relationship-based lending model, particularly in semi-urban and rural markets where gold loans are often used for small business or emergency needs
- ✦ Focus on repeat customers and developing long-term relationships based on trust and transparency

## Compliance and governance

- ✦ Focus is being laid on improving regulatory compliance, internal audit mechanisms and governance practices.
- ✦ Adoption of robust Know-Your-Customer (KYC) and anti-money laundering processes in alignment with RBI guidelines

## Geographical diversification

- ✦ While Tamil Nadu remains the key market, SEIL is expanding gradually into new high-potential states like Odisha, using a low-risk, cluster-based branch expansion model
- ✦ New branches are set up in locations with high gold ownership and low access to formal credit, enhancing financial inclusion and business expansion

## Human resource development

- ✦ Investing in staff skilling, retention and productivity training with a specific focus on gold appraisal, loan underwriting, customer handling and cross-selling
- ✦ A culture of accountability, continuous learning and customer-first mindset is being institutionalized

## Productivity and resource optimization

- ✦ Institutional emphasis on improving branch and employee productivity
- ✦ Performance metrics and incentives are being aligned with business outcomes such as customer retention, loan disbursal growth and portfolio quality





# Our Board



## K.G. Anilkumar, CMD

K.G. Anilkumar is the son of veteran freedom fighter, Shri Erekath Govindan Menon. Mr. Anilkumar has been imbued with fighting spirit by his father since childhood, which later helped him to succeed in the competitive field of financing.

Mr. Anilkumar is a passionate business person and with his experience and strong backing of the Directors, he acquired Salem ERODE Investments Limited in the year 2020 and has great future optimism for the Company in the field of financial sector, like a holding company for ICL Fincorp Limited. Since then, the company has been growing at a steady pace under his visionary leadership.

His vision and passion have also been instrumental in the Group venturing into real estate, chits, tours and travel business, fashion boutique and healthcare business through separate group companies.



**T.G. Babu**  
Independent Director



**Saseendran Veliyath**  
Independent Director



**A.A. Balan**  
Independent Director

## Other Directors



**Umadevi Anilkumar**  
Non Executive Director



**Shinto Stanly**  
Independent Director



# Corporate Information

## Independent Directors

- ✦ Saseendran Veliyath
- ✦ T.G. Babu
- ✦ A. A. Balan
- ✦ Shinto Stanly

## Non-Executive Woman Director

- ✦ Umadevi Anilkumar

## Executive Director

- ✦ K.G. Anilkumar – Managing Director

## Other Key Managerial Persons

- ✦ Madhavankutty T. – CFO
- ✦ Visakh TV – Company Secretary

## Corporate Office

Second Floor, V.K.K. Building, Irinjalakuda Main Road  
Thrissur, Kerala – 680121  
Tel: 0480282 8071  
E-mail: [salemerodeinvestmentsltd@gmail.com](mailto:salemerodeinvestmentsltd@gmail.com)/  
[cs@salemerode.com](mailto:cs@salemerode.com)

## Registered Office

Door No. 61/A8 (38/A8)  
VJP Parijatham Apartments, 1st Avenue  
Ashok Nagar, Chennai, Tamil Nadu, India – 600083  
Tel: 8589000342  
E-mail: [salemerodeinvestmentsltd@gmail.com](mailto:salemerodeinvestmentsltd@gmail.com)

## Registrar & Share Transfer Agents

*M/s Niche Technologies Private Limited*  
3A, Auckland Place, 7th Floor  
Room No. 7A & 7B, Kolkata – 700017  
Tel: 033 2280 6617  
E-mail: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

*M/s Cameo Corporate Services Ltd*  
'Subramanian Building'  
No 1 Club House Road  
Chennai - 600 002  
Tel: +91 44 4002 0700  
Email: [ipo@cameoindia.com](mailto:ipo@cameoindia.com)

## Statutory Auditor

Mohandas & Associates, Chartered Accountants  
3rd Floor, "Sree Residency", Press Club Road  
Thrissur – 680 001  
Tel: +91 487 233 3124, 232 1290  
Email: [ma.auditors@gmail.com](mailto:ma.auditors@gmail.com)

## Secretarial Auditor

Yacob Pothumuriyil Ouseph  
Practicing Company Secretary  
2nd Floor, 11/572, Kalarikkal Bldg,  
Karingachira, Irumpanam P.O.,  
Tripunithura, Ernakulam, Kerala- 682301  
E mail: [rajupo2012@gmail.com](mailto:rajupo2012@gmail.com)  
Mob: 9447118386

## Debenture Trustee

Vistra ITCL (India) Limited  
505, A-2, The Capital  
G Block, Bandra Kurla Complex  
Bandra (East), Mumbai 400051  
Tel: +91 22 69300000  
Email: [mumbai@vistra.com](mailto:mumbai@vistra.com)/[VistraITCL.Support@vistra.com](mailto:VistraITCL.Support@vistra.com)

## Bankers

- ✦ HDFC Bank Ltd.
- ✦ Axis Bank Ltd.
- ✦ Indian Overseas Bank Ltd.

## Stock Exchange

Equity Shares Listed with BSE Ltd.  
ISIN NO: INE894E01028

## Notice of 94<sup>th</sup> Annual General Meeting

Notice is hereby given that the 94th Annual General Meeting of the members of Salem Erode Investments Limited ("hereinafter referred to as "the Company") will be held on Monday, the 29th day of September, 2025 at 10.30 A.M. IST ("hereinafter referred to as AGM") through Video Conferencing (hereinafter referred to as "VC")/Other Audio Visual Means (hereinafter referred to as "OAVM") to transact the following businesses:

### Ordinary Businesses:

#### 1. Adoption of audited financial statements of the Company for the financial year ended March 31, 2025

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

"RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2025 including Balance Sheet as at March 31, 2025, Statement of Profit and Loss as at March 31, 2025 and Statement of Cash Flows for the year ended as on that date, together with other statements and notes forming part of financial statements and the reports of Auditors and Directors thereon, as circulated to the members and laid before the meeting, be and are hereby received, considered, approved and adopted."

#### 2. Appointment of a Director in place of Mr. K. G. Anilkumar (DIN: 00766739), who retires by rotation and being eligible, offers himself for re-appointment

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

"RESOLVED THAT pursuant to the provisions of section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Articles of Association of the Company, Mr. K G Anilkumar (DIN: 00766739), who retires by rotation at the 94th Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

By order of Board of Directors,  
For Salem Erode Investments Limited

Place: Irinjalakuda

Date: 02.09.2025

Sd/-

K G Anilkumar

Managing Director

DIN: 00766739





## Notes & Instructions

- The relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), in respect of Director seeking re-appointment at this AGM is provided in annexure to this notice.
- Notice of the AGM including instructions for e-voting along with the Annual Report of the Company is being sent by e-mail to all the members, whose names appear in the Register of members/ List of Beneficial Owners as furnished by the Depositories i.e. National Securities Depository Limited (hereinafter referred to as "NSDL") and Central Depository Services (India) Limited (hereinafter referred to as "CDSL") as at the close of business hours on **22nd day of August, 2025** and who have registered their e-mail address in respect of electronic holdings with the depository through the concerned Depository Participants and in respect of physical holding with the Company's Registrar & Share Transfer Agent i.e. Niche Technologies Private Limited (hereinafter referred to as "RTA").
- Members whose name appears on the Register of Members/ List of Beneficial owners as on the cut-off (record) date i.e. **Monday, the 22nd day of September, 2025** will be considered for the purpose of remote e-voting and voting rights shall be reckoned on the paid-up value of shares registered in the name of the members as on that date. A person who is not a member as on the record date should treat this Notice for information purposes only. The Register of Members and Share Transfer Books of the Company shall remain closed from **Tuesday, 23rd day of September, 2025 to Monday, the 29th day of September, 2025** (both days inclusive). Transfers received during book closure will be considered only after reopening of the Register of Members.
- The Board of Directors has appointed Niche Technologies Private Limited, having office at 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata, West Bengal - 700017 as the RTA of the Company for the Share Registry Work (Physical and Electronic).
- The Board of Directors of the Company has appointed Mr. Yacob P.O., Practising Company Secretary having office at Pothumuriyil, Puttumanoor, Puthencruz P.O., Ernakulam, Kerala - 682308, as the Scrutinizer for scrutinizing e-voting process in a fair and transparent manner.
- The Company has issued paper notice on Saturday, the 30th day of August, 2025 in The New Indian Express (English Newspaper) and Dinamani (Tamil Newspaper) requesting all the members to register their permanent e-mail address. It is clarified that members are required to register their e-mail address, in respect of electronic holdings with the Depositories/ Depository Participant and in respect of physical holding with the RTA.
- Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by SEBI (hereinafter collectively referred to as "the Circulars"), Companies are permitted to hold the AGM through VC/OAVM, without the physical presence of the members at a common venue. In compliance with the Circulars, the AGM of the Company is being held through VC/OAVM, without the physical presence of the members at a common venue. The deemed venue for holding the AGM will be the Registered Office of the Company.
- Pursuant to the provisions of section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014, regulation 44 of the Listing Regulations, the Secretarial Standard - 2 on General Meetings issued by ICSI, 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 engaged CDSL as the authorised agency for facilitating voting through electronic means and to provide VC/OAVM facility for the AGM. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 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, Scrutinizers etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- Member's log-in to the VC platform using the remote e-voting credentials shall be considered for record of attendance at the AGM and such member attending the meeting will be counted for the purpose of reckoning the quorum under section 103 of the Act.
- Since this AGM is being held through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence, the proxy form and attendance slip are not annexed to this notice.
- AGM Notice and Annual Report is being sent through electronic mode to those members whose e-mail addresses are registered

- with the Company/RTA/ Depositories. The Notice calling the AGM and Annual Report has been uploaded on the website of the Company at [www.salemerode.com](http://www.salemerode.com). The AGM Notice and Annual Report is also disseminated on the website of stock exchange [www.bseindia.com](http://www.bseindia.com) and CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com). In case a member is desirous of obtaining an e-mail of Annual Report, he/she may send an e-mail to [cs@salemerode.com](mailto:cs@salemerode.com).
13. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
  14. Corporate/Institutional Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy of the Board Resolution/Authority Letter, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting or during the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered email address to [csevoting@gmail.com](mailto:csevoting@gmail.com) with a copy marked to [cs@salemerode.com](mailto:cs@salemerode.com).
  15. The voting period shall commence on **Friday, the 26th day of September, 2025 at 10.00 a.m. IST** and ends on **Sunday, the 28th day of September, 2025 at 05.00 p.m. IST**. The remote e-voting facility shall be disabled by the CDSL for e-voting thereafter.
  16. The Scrutinizer will submit a consolidated Scrutinizer's Report to the Chairman/Director after the completion of scrutiny on remote e-voting and will also be displayed on the website of the Company [www.salemerode.com](http://www.salemerode.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).
  17. The resolutions shall be deemed to be passed on the date of the meeting, i.e. 29th day of September, 2025, subject to receipt of the requisite number of votes in favour of the resolutions.
  18. 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 will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [cs@salemerode.com](mailto:cs@salemerode.com). The same will be replied by the Company suitably.
  19. Members are requested to note that, the amount of unpaid or unclaimed dividend lying in unpaid dividend account for a period of seven (7) years from the date of its transfer to the unpaid dividend account and the underlying equity shares of such unpaid or unclaimed dividend, are required to be transferred to the Investor Education and Protection Fund established by the Central Government. The unclaimed dividend amount and underlying equity shares has already been transferred to Investor Education and Protection Fund. The Member(s) whose dividend/shares as transferred to the IEPF Authority can claim their dividend/shares from the IEPF Authority by following the refund procedures as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPF/refund.html>.
  20. Members may please note that there is a facility for nomination, in the prescribed form, available at request, from the Company or Registrar and Transfer Agent of the Company to any person to whom shares in the Company held by such Member, shall vest in the event of his/her death. Members holding shares in dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.
  21. Members holding shares in physical form are requested to note that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. Members holding shares in physical form are required to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical form.
  22. In case of joint holders, the member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the meeting.
  23. Members should notify the changes in their address immediately to the RTA of the Company/Depository Participants as the case may be. Members who are holding shares in dematerialised form are requested to keep their bank account details including IFSC and/or MICR updated with their respective Depository Participants and those members who are holding shares in physical form, by sending a request to the RTA by quoting their folio no, PAN along with cancelled cheque or other acceptable bank account proof.
  24. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, mandates, nominations, bank details such as name of the bank and branch details, bank account number, MICR Code, IFSC Code, etc. to their Depository Participants, in case the shares are held by them in electronic form and to the



RTA in case the shares are held by them in physical form. The process for registration of e-mail address is mentioned below:

Physical Holding	Send an e-mail to the Company at <a href="mailto:cs@salemerode.com">cs@salemerode.com</a> along with the scanned copy of the request letter duly signed by sole/first shareholder quoting the 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) for registering mobile number and e-mail address. or Visit web portal <a href="http://www.nichetechpl.com">www.nichetechpl.com</a> of RTA of the Company.
Demat Holding	Please contact your Depository Participant and register your email address in your demat account, as per the process advised.

25. The facility for voting through electronic voting system will also available during the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right during the meeting.
26. The Instructions for shareholders for remote e-voting and e-voting during AGM and joining meeting through VC/OAVM are as under:
  - a) The remote e-voting period begins on **Friday, the 26th day of September, 2025 at 10.00 a.m. IST** and ends on **Sunday, the 28th day of September, 2025 at 05.00 p.m. IST**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date (record date) i.e. Monday, the 22nd day of September, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - b) **The voting rights of the members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company, as on the cut-off date i.e. Monday, the 22nd day of September, 2025. Voting rights in the e-voting cannot be exercised by a proxy, though Corporate and Institutional Members shall be entitled to vote through authorized representatives with proof of their authorization. The voting right of the equity share is one vote per equity share, registered in the name of the member.**
  - c) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting. Further, once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
  - d) Login method for e-voting and joining virtual meeting for individual shareholders holding securities in demat mode is given below:

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

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

- Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
  - (i) The voting period begins on Friday, the 26th day of September, 2025 at 10.00 a.m. IST and ends on Sunday, the 28th day of September, 2025 at 05.00 p.m. IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, September 22, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) Pursuant to SEBI Circular **No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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



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

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

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

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

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

- (ii) After entering these details appropriately, click on "SUBMIT" tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant Salem Erode Investments Limited on which you choose to vote.
- (vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (viii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (ix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

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

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

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/ folio number, email id, mobile number at [cs@salemerode.com](mailto:cs@salemerode.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/ folio number, email id, mobile number at [cs@salemerode.com](mailto:cs@salemerode.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then



the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders, please update your email id & mobile no. with your respective **Depository Participant (DP)**

3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911..



## Annexure to Notice

### Item no. 2 - Appointment of a Director in place of Mr. K. G. Anilkumar (DIN: 00766739), who retires by rotation and being eligible, offers himself for re-appointment

Disclosures under regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by ICSI are detailed as below.

Sl. No.	Particulars	Response
01.	Name	Mr. K. G. Anilkumar
02.	Director Identification Number (DIN)	00766739
03.	Terms & conditions of appointment/re-appointment along with details of remuneration sought to be paid	Terms & conditions of appointment including remuneration details has already been approved by the members by resolution passed at the 93 <sup>rd</sup> Annual General Meeting.
04.	Nationality	Indian
05.	Date of birth and Age	Date of Birth: 28/06/1963 Age: 62 Years
06.	Educational/professional qualifications	BA; MBA; LLB
07.	Nature of expertise/ experience in specific functional areas	Having approximately more than 20 years of experience in the non-banking financial sector and other related areas.
08.	Details of remuneration for the financial year 2024-25	Sitting fees – ₹ 22,500/-
09.	Designation and date of first appointment on Board	Designation: Additional Director Date of First Appointment on Board: 17/02/2020
10.	Disclosure of inter-se relationships between other Directors, Managers or Key Managerial Personnel of the Company	Spouse of Ms. Umadevi Anilkumar, Non-Executive Director of the Company
11.	Number of board meetings attended during the financial year 2024-25	9 meetings
12.	List of Directorships in other Companies	a. ICL Fincorp Limited (Managing Director) b. ICL Tours and Travels Private Limited (Director) c. Snow View Tex Collections Private Limited (Director) d. ICL Medilab Private Limited (Director) e. Laneseda Vanijya Private Limited (Director)
13.	Memberships/Chairmanships of Committees of the Board of other Companies.	ICL Fincorp Limited a. IT Strategy Committee (Member) b. Corporate Social Responsibility Committee (Chairman)
14.	Names of other listed entities in which the person also holds the directorship and the membership of Committees of the board.	Nil
15.	Name of listed entities from which the person has resigned in the past three years	Nil
16.	Shareholding in the Company	Nil
17.	Brief Resume	Mr. K.G. Anilkumar, is the Managing Director of the Company. He has completed Bachelors in Arts (B.A.), Post-Graduation in Master of Business Administration (MBA) as well as a qualification in law (LLB). He has over 20 years of experience in managing businesses operating in the field of financial services. He was appointed as Trade Commissioner of Cuba by the Latin American Caribbean Federation of India at the India Cuba Conference during the Cuba Business Summit held in the month of January 2023. His unique capabilities have won him several awards and accolades including Excellence in Finance Sector Award for the year 2019 from the Vice President of India, M. Venkaiah Naidu, the "Bharat Excellence Award" for the year 2015 from the Governor of Tamil Nadu, Dr. K. Rosaiah and Janam TV Global Excellence Award 2017 from Hon'ble union ministers Nirmala Sitharaman and Harsh Vardhan. He was appointed as Goodwill Ambassador for the Latin American Caribbean Trade Council in the month of May 2024.

By order of Board of Directors,  
For Salem ERODE Investments Limited

Sd/-

**K G Anilkumar**

Managing Director

DIN: 00766739

Place: Irinjalakuda

Date: 02.09.2025



# Board's Report

To,  
The Members,  
Salem Erode Investments Limited

Your Directors present before you the 94th Annual Report of Salem Erode Investments Limited (hereinafter referred to as "the Company") together with the audited financial statements for the financial year ended March 31, 2025.

## I. Financial summary and highlights

### a) Operations

With a current network of 38 branches spanning the key states of Tamil Nadu and Odisha, the Company is executing a strategic plan for slow, deliberate growth. This measured approach ensures sustainable expansion, and the Company is now preparing to launch new branches in the coming months as part of its long-term vision to broaden its regional footprint.

The Company is experiencing a daily increase in its business operations. As a strategic move toward greater independence, the Company is actively working to establish its own unique identity rather than operating solely under the name of its holding Company, ICL Fincorp Limited.

The commercial operations during the year under report were progressive. The Company has earned an income of ₹ 3,90,77.47 thousand as compared to ₹ 4,13,95.01 thousand during the previous year. The total expenditure of the Company for the year was ₹ 8,85,89.50 thousand as compared to ₹ 5,91,04.84 thousand. The Company incurred a net loss of ₹ 4,71,92.77 thousand as against net loss of ₹ 1,82,25.21 thousand during the previous financial year. Despite continuing a financial loss this year due to higher operational costs, your Directors believe these expenses were necessary for the Company's future growth and expansion. We are committed to making these unavoidable investments now to ensure a more successful and profitable tomorrow.

### Financial Summary

Particulars	(₹ in thousand)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Total Income	3,90,77.47	4,13,95.01
Total Expense	8,85,89.50	5,91,04.84
<b>Profit/Loss before Tax</b>	<b>(4,95,12.03)</b>	<b>(1,77,09.83)</b>
Less: Current Income Tax	-	-
Less: Deferred Tax	(23,19.26)	462.24
(Excess)/Short provision of previous years	-	53.14
<b>Net Profit/Loss after Tax</b>	<b>(4,71,92.77)</b>	<b>(1,82,25.21)</b>
Earnings per share (Basic)	(4.12)	(1.59)
Earnings per Share (Diluted)	(4.12)	(1.59)

### b) Transfer to Reserves

During the year the Company has reported losses and hence no amount is transferred to the statutory reserves and Impairment Reserve which is the differential amount between impairment allowance as per IND AS 109 and provisioning as per IRACP norms. After these adjustments the Retained Earnings during the year is ₹ 120,917.09 thousand only.

### c) Dividend

As the Company has incurred loss and with a view to conserve profit for proposed expansion activities of the Company, the Board of Directors has not recommended any dividend on Equity Shares of the Company for the financial year ended March 31, 2025.

### d) Change in accounting standards

The Company is following the Indian Accounting Standards during the year under report.

## II. State of Company's affairs

### a) Segment wise details of the gold loans and other loans

The Company has been mainly focusing on gold loans, which is secured by way of the gold jewellery provided as security by the customers. The Loan to Value (hereinafter referred to as "LTV") ratio is restricted to a maximum of 75% to 85% as prescribed by the Reserve Bank of India (hereinafter referred to as "RBI"). The Company provides loans at lesser LTVs with lesser interest rates to the customers, so as to reduce the interest burden for needy customers.

The following are the comparison of the gold loan schemes for the year 2023 -24 & 2024-25:

Scheme name	Amount outstanding for the year ended 2024-25 (in ₹)	Amount outstanding for the year ended 2023-24 (in ₹)	Increment	% increase/ (decrease) outstanding compared to previous year
SEIL (60 Days Interest Payment Scheme)	2,059.24	56,767.92	(54,708.68)	(96.37)%
SEIL 106 (90 Days Interest Payment Scheme)	0	102.94	(102.94)	(100)%
SEIL 107 (Monthly Interest Payment Scheme)	469.90	3,792.13	(3,322.23)	(87.61)%
SEIL 111 (Monthly Interest Payment Scheme)	0	2,761.33	(2,761.33)	(100)%
SEIL 118 (30 Days Interest Payment Scheme)	0	1,315.182	(1315.182)	(100)%
SEIL 119 (30 Days Interest Payment Scheme)	11.80	1,659.94	(1,648.14)	(98.73)%
SEIL 120 (30 Days Interest Payment Scheme)	247.42	19,429.44	(19,182.02)	(98.73)%
SEIL 136 (30 Days Interest Payment Scheme)	1,095.70	0	1,095.70	100%
SEIL 137 (30 Days Interest Payment Scheme)	10,760.43	0	10,760.43	100%
SEIL 138 (30 Days Interest Payment Scheme)	11,589.73	0	11,589.73	100%
SEIL 141 (30 Days Interest Payment Scheme)	75,097.91	0	75,097.91	100%
SEIL 142 (18 Months Installment Payment Scheme)	4,531.00	0	4,531.00	100%
SEIL Mahila (30 Days Interest Payment Scheme)	28,739.96	0	28,739.96	100%
SEIL Senior (30 Days Interest Payment Scheme)	868.66	0	868.66	100%
SEIL Sukrutham	470.77	2,145.83	(1,675.06)	(78.06)%
Total	135,942.51	87,974.71	47,967.800	

#### b) Events occurred after closing of the Financial Year

There is no events occurred after closing of the Financial Year

#### c) Change in status of the Company

The Company has complied with provisions of the Companies Act, 2013 (hereinafter also referred to as "the Act") & rules made there under in respect of its status under the Act and is active.

#### d) Key Business Developments

##### i. Branch Network

The Company had set a target to open more branches across the country in the near future. A wider network of branches will allow the Company to provide better service and support to both existing and new customers from convenient, nearby locations, while also helping to reach new potential customers.

##### ii. Merging, shifting or closure of branches

The Company is in the process of improving efficiency of operations of existing branches by identifying those branches which are below the Break Even Point in terms of revenue generation and taking appropriate actions like merging, shifting or closure through due statutory procedures. No branch was closed in the reporting year.

##### iii. Fund Raising

The Company had vide Postal Ballot through e-voting on 23rd day of February, 2021 approved borrowing powers not exceeding ₹ 300,00,00,000/- (Rupees Three Hundred Crores Only). In accordance with said approval, the Company had raised an amount of ₹ 1,01,50 thousand

during the financial year under report by issuing Unlisted Redeemable Secured Non-Convertible Debentures on private placement basis.

#### e) Other material event having an impact on the affairs of the Company

##### i. Business

Despite a challenging economic climate shaped by global conflicts—specifically the Russia-Ukraine war and the conflict between Hamas and Israel—the Company demonstrated remarkable resilience. While these geopolitical events triggered fluctuations in oil prices and raising inflation, which in turn increased interest rates, the Company remained focused on its expansion goals.

The Company has successfully navigated previous challenges and the Board expects positive growth in the coming years. The overall operating environment and collection efficiencies are expected to remain stable. The Company plans to open new branches at various locations and introduce new loan products.

##### ii. Disbursement & Recovery

Gold loan disbursements were normal throughout the year, and the Company effectively managed recoveries by offering customers the option to make remittances through online banking, phone transfers, and other electronic modes. Due to stringent loan recovery efforts, there was no adverse impact on the Company's revenue during the year, and no negative impact is anticipated in the coming financial years.



### iii. Non-Performing Assets

The Company has maintained Non-Performing Assets (NPAs) at minimal levels through stringent recovery measures. It will continue to focus on the gold loan category, as the market value of gold is expected to rise according to expert predictions.

The Company maintains a loan-to-value ratio of 65% to 75% to ensure asset quality. It remains focused on maintaining its gold inventory, serving its existing customer base efficiently, and acquiring new customers through its branches.

Given the current economic recovery, the Management predicts better growth in the coming years by introducing new portfolios and opening new branches. The Holding Company, ICL Fincorp Limited, brings extensive experience and expertise, contributing to exceptional performance. Marketing activities, including cluster marketing, roadshows, and brand value additions, are being conducted more aggressively.

### III. Change in the nature of business

There was no change in the nature of the business during the year under report.

### IV. Material changes and commitments

There was no material changes or commitments, affecting the financial position of the Company having occurred during the year under report or having occurred since the end of the year and till the date of the report. Further, there was no changes in external and internal environment including technical, legal and financial, strikes, lockouts and breakdowns affecting the business of the Company, as on the reporting date.

### V. Overview of the industry and important changes in the industry during the last year

Detailed in Management Discussion and Analysis Report as 'Annexure 1'.

### VI. External environment and economic outlook

NBFCs remain an important constituent of India's financial sector, and continue to leverage their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India. Lower transaction costs, innovative products, quick decision making, customer orientation and prompt service standards have differentiated NBFCs from banks. Considering the reach and expansion of NBFCs, these entities are well-suited to bridge the financing gap in a large country like India. Systemically important NBFCs have demonstrated agility, innovation and frugality to provide formal financial services to millions of Indians. The sector has undergone remarkable growth and has established itself as a significant player in the country's financial landscape.

The sector's assets under management (AUM) were projected to exceed ₹50 trillion (approximately US\$ 600 billion) in FY 2025, with some reports placing the overall balance sheet size even higher. This growth, while moderating slightly compared to the previous two fiscal years, demonstrates the sector's resilience and expanding role in the economy.

The primary driver of the NBFC sector's growth continues to be the strong demand for specialized financial services. This is especially true for Micro, Small, and Medium Enterprises (MSMEs), which often find it difficult to secure loans from traditional banks. NBFCs have effectively filled this gap by offering tailored credit products and a more flexible approach to lending.

Digitalization has also been a transformative force. The widespread adoption of digital platforms has allowed NBFCs to significantly expand their customer base, streamline operations, and reduce costs. The integration of advanced technologies like artificial intelligence (AI), machine learning (ML), and big data analytics is enabling more efficient credit underwriting and enhancing the overall customer experience.

In financial year 2024-25, the NBFC sector demonstrated continued resilience and improved financial health. The sector's credit growth in FY25 surpassed that of commercial banks, reaching an impressive 20%, primarily driven by segments like gold loans, vehicle loans, and personal consumption loans. This growth was also reflected in the sector's expanding balance sheet, which saw a 20% year-on-year increase. Asset quality for the NBFC sector continued its downward trajectory in FY25. The overall Gross Non-Performing Assets (GNPA) ratio improved to 2.5% as of March 2025 from 4.0% in March 2024 and the Net Non-Performing Assets (NNPA) ratio also followed this positive trend. This improvement was largely due to robust earnings and a healthy capital base. The sector's profitability remained strong, with the Return on Assets (RoA) rising to 2.9% from 2.5% a year earlier. Capital adequacy remained healthy, with a ratio of 27.6% for NBFCs.

The rapid growth in retail loans has been significantly facilitated by increased bank lending to NBFCs, which constituted a substantial portion of total bank credit in the last fiscal year. This trend has been consistent, with bank credit to NBFCs continuing to grow at a faster rate than overall bank credit. However, this lending remains highly concentrated, with a majority of the credit directed toward top-rated NBFCs (those with an AA rating or higher).

While the overall asset quality of the retail credit segment remains healthy, its fast-paced growth is a point of consideration. The combination of rapid lending expansion and the current monetary policy environment—aimed at



controlling inflation—raises concerns. Specifically, there are potential risks related to the procyclicality of lending and the possibility of higher debt servicing costs for borrowers. Lenders are closely monitoring these trends to ensure the sustained health and stability of the retail lending segment.

Recognising the importance of NBFCs, a series of measures have been implemented which have played an important role in strengthening the NBFCs. For instance, considering the growing size, complexity and interconnectedness of NBFCs, a revised scale-based regulatory framework has been implemented to harmonise the regulations of NBFCs with those of banks, wherever appropriate. In addition, the formal Prompt Corrective Action (PCA) framework was extended to NBFCs which enables supervisory intervention at appropriate times and requires the supervised entity to initiate and implement remedial measures in a timely manner. As banks and NBFCs have entered into various co-lending models with divergent underwriting practices and banks have been the major lender to NBFCs, this rising interconnectedness raises risks emanating from cross-sectional dimensions.

The RBI's Financial Stability Report states that "The Reserve Bank took proactive regulatory measures, such as increase in risk weights on certain segments of consumer credit by banks and NBFCs as well as bank credit to NBFCs, along with a strengthening of credit standards in respect of various sub-segments under consumer credit, to prevent build-up of risks and spill-over to the wider financial system."

As NBFCs have become more significant, the RBI has enhanced its regulation of the sector in recent years to address the industry specific issues such as contagion risk in the financial system, oversimplified underwriting processes, concentration of credit risk, exposure towards technology related risks, etc. Accordingly, the RBI, over last few years, has issued various guidelines such as (i) vigil over asset-liability management practices, (ii) maintaining liquidity ratios, (iii) increased reporting requirements, and (iv) scale-based regulations. These have led to NBFCs adopting practices in line with banks. The regulatory vigil is

based on four key cornerstones of: (i) responsible financial innovation, (ii) accountable conduct, (iii) responsible governance, and (iv) centrality of the customer.

The NBFC sector is an important stakeholder of the Indian financial sector. Strengthened regulation and enhanced oversight are in place to further strengthen the resilience of this key sector. We believe that NBFCs with superior capital adequacy, better margins, frugal cost and prudent risk management, and those incorporating above four key cornerstones in their business models will continue to deliver sustainable growth in the foreseeable future.

More details are mentioned in Management Discussion and Analysis Report as 'Annexure 1'.

## VII. Capital and Debt Structure

### a) Share Capital of the Company

Authorized share capital of the Company is ₹ 10,00,00,000/- consisting of 10,00,00,000 equity shares of Re.1/- each. Members of the Company vide. 93rd Annual General Meeting held on 28th day of September, 2024 has increased authorized share capital from ₹ 1,20,00,000/- divided into 1,20,00,000 equity shares of ₹1/- each to ₹ 10,00,00,000/- divided into 10,00,00,000 equity shares of ₹1/- each.

The Issued, Subscribed and Paid up Share Capital of the Company is ₹ 1,14,65,520/- (Rupees One Crore Fourteen Lakhs Sixty Five Thousand Five Hundred and Twenty Only) consisting of 1,14,65,520 Equity Shares of Re. 1/- (Rupee One Only) each. There was no change in the Issued, Subscribed and Paid up Share Capital of the Company during the year under report.

### b) Non-Convertible Debentures

During the year under review, your Company has issued Unlisted Secured Redeemable Non-Convertible Debentures and raised an amount aggregating to ₹1,01,50 thousand on a private placement basis in various tranches. The funds raised from Non-Convertible Debentures were utilized for the purpose of meeting the working capital requirements and general corporate purposes of the Company.

The details on Non-Convertible Debentures issued and allotted during the year are as follows:

Date of issue	Date of allotment	Number of securities allotted	Method of allotment	Issue Price	Amount raised (in thousand)
08.11.24	20.11.24	3200	Private Placement	1,000	3200
27.12.24	08.01.25	4,650	Private Placement	1,000	4650
07.03.25	15.03.25	2,300	Private Placement	1,000	2300



## VIII. Credit rating

The Credit rating by Infomerics Valuation and Rating Private Limited is as follows:

Facilities	Amount (₹ Crore)	Current ratings	Previous ratings	Rating action
Non-Convertible Debentures (NCDs)	0.59	IVR B+/Negative;; Issuer not cooperating (IVR B Plus with Negative Outlook, Issuer Not Cooperating)	IVR BB-/Negative (IVR Double B Minus with Negative Outlook, Issuer Not Cooperating) *	Rating downgraded and continued in Issuer Not Cooperating category
Non-Convertible Debentures (NCDs)	99.41	IVR B+/Negative; Issuer not cooperating (IVR B Plus with Negative Outlook, Issuer Not Cooperating)	IVR BB-/Negative (IVR Double B Minus with Negative Outlook, Issuer Not Cooperating) *	Rating downgraded and continued in Issuer Not Cooperating category

Events occurred after closing of the financial year

Additionally the following credit rating has been assigned by CRSIL on 01st July, 2025:

Facilities	Amount (₹ in Crore)	Current ratings	Rating action
Bank Loan	50	Crisil BB/Stable	Assigned
Non Convertible Debentures	50	Crisil BB/Stable	Assigned

## IX. Investor Education and Protection Fund

- a) The transfer the unclaimed dividend along with corresponding shares for Financial Years 2008-09, 2009-10, 2010-11, 2011-12 and 2012-13 has been completed by filing Form IEPF-4. The details of the transfer/s to the Investor Education and Protection Fund ("IEPF") made during the year as mentioned below:
- Amount of unclaimed/unpaid dividend and the corresponding Shares - Nil
  - Redemption amount of preference shares - Not applicable
  - Amount of matured deposits, for Companies other than Banking Companies, along with interest accrued thereon - Not applicable
  - Amount of matured debentures along with interest accrued thereon - Not applicable
  - Application money received for allotment of any securities and due for refund along with interest accrued - Not applicable
  - Sale proceeds of fractional shares arising out of issuance of bonus shares, merger and amalgamation - Not applicable
- b) Details of the resultant benefits arising out of shares already transferred to the IEPF - Not applicable
- c) Year wise amount of unpaid/unclaimed dividend lying in the unpaid account upto the year and the corresponding shares, which are liable to be transferred to the IEPF and the due dates for such transfer

All unpaid/unclaimed dividend as on reporting date has been transferred to IEPF. The corresponding shares of underlying unpaid/unclaimed dividend to be transferred to IEPF account are as follows:

Sl.No.	Year of declaration of Dividend	Dividend declaration date	Due dates for transfer of shares to IEPF Account	Number of equity shares to be transferred	Current status
01.	2008-09	28.08.09	27.09.16	6,28,160	Transferred
02.	2009-10	27.08.10	26.09.17	64,160	Transferred
03.	2010-11	26.08.11	25.09.18	85,200	Transferred
04.	2011-12	31.08.12	30.09.19	1,54,880	Transferred
05.	2012-13	16.08.13	15.09.20	1,14,320	Transferred

- d) the amount of donation, if any, given by the Company to the IEPF – Nil
- e) such other amounts transferred to the IEPF, if any, during the year - Nil

## X. Management

### a) Directors and Key Managerial Personnel

The changes in the constitution of the Board of Directors and Key Managerial Personnel of the Company during the year under report are as follows:-

The members of the Company at 93rd Annual General Meeting held on 28th day of September, 2024 had considered and approved the following:-

- Appointed Ms. Umadevi Anilkumar, Non Executive Director (DIN: 06434467), who retires by rotation and being eligible offered herself for re-appointment.
- Re-appointment of Mr. K.G. Anilkumar (DIN: 00766739) as the Managing Director of the Company for a period of 5 years with effect from 18th day of February, 2025 to 17th day of February, 2030.
- Appointment Mr. Shinto Stanly (DIN: 06534505) as an Independent Director of the Company to hold office for a term of 5 consecutive years i.e. from 05th day of February, 2024 to 04th day of February, 2029

The Members vide postal ballot dated February 14, 2025, re-appointed Mr. Thainakathu Govindankutty Babu (DIN: 08315374) as Independent & Non-Executive Director of the Company, for the second term of 5 (five) years effective from February 17, 2025 to February 16, 2030 and Mr. Saseendran Veliyath (DIN: 08205871) as an Independent & Non-Executive Director of the Company, for the second term of 5 (five) years effective from February 17, 2025 up to February 16, 2030.

Ms. Manisha N Menon, Company Secretary of the Company resigned on 11th October 2024 and Mr. Visakh T V was appointed as a Company Secretary and Compliance Officer of the Company with effect from 27th December 2024.

Further, in accordance with the provisions of the Companies Act, 2013, Mr. K.G. Anilkumar, Managing Director (DIN: 00766739) of the Company, who retires by rotation and being eligible offers himself for re-appointment. Being eligible for re-appointment and in the best interest of the Company, your Board recommends the re-appointment of Mr. K.G. Anilkumar as a Director of the Company, liable to retire by rotation.

There were no other change in Directors or Key Managerial Personnel after the end of the year and up to the date of the report.

### b) Declaration from Independent Directors on annual basis

The Company has received necessary declaration from all the Independent Directors of the Company as per section 149 (7) of the Companies Act, 2013 confirming that they meet with the criteria of independence as laid down under section 149 (6) of Act and regulation 16 (1) (b) of the Listing Regulations. Further, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and Code of Conduct for Directors and senior management personnel of the Company. Further, the Board after taking these declarations/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess relevant proficiency, expertise and experience to qualify as Independent Directors of the Company and are independent of the management of the Company. In terms of section 150 of the Act read with rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar and the said registration is renewed and active. All the independent Directors of the Company have passed online proficiency self-assessment test conducted by the said institute.

### c) Meetings of the Board of Directors of the Company

During the year, the Board of Directors of the Company had convened 10 (Ten) meetings, details of the same as mentioned below.

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
01.	24.04.2024	Mr. K.G. Anilkumar Ms. Umadevi Anilkumar Mr. T.G. Babu Mr. Saseendran V. Mr. A. A. Balan Mr. Shinto Stanly	100%
02.	29.05.2024	Mr. K.G. Anilkumar Mr. T.G. Babu Mr. Saseendran V. Mr. Shinto Stanly	67%
03.	14.08.2024	Mr. K.G. Anilkumar Ms. Umadevi Anilkumar Mr. Saseendran V. Mr. A.A. Balan Mr. Shinto Stanly	83%
04.	27.08.2024	Mr. K.G. Anilkumar Ms. Umadevi Anilkumar Mr. Saseendran V. Mr. Shinto Stanly	67%



Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
05.	08.11.2024	Mr. K.G. Anilkumar Ms. Umadevi Anilkumar Mr. T.G. Babu Mr. Saseendran V. Mr. A.A. Balan Mr. Shinto Stanly	100%
06.	14.11.2024	Mr. T.G. Babu Mr. Saseendran V. Mr. A. A. Balan Mr. Shinto Stanly	67%
07.	27.12.2024	Mr. K.G. Anilkumar Ms. Umadevi Anilkumar Mr. T.G. Babu Mr. Saseendran V. Mr. A.A. Balan Mr. Shinto Stanly	100%
08.	10.01.2025	Mr. K.G. Anilkumar Ms. Umadevi Anilkumar Mr. T.G. Babu Mr. Saseendran V. Mr. A.A. Balan Mr. Shinto Stanly	100%
09.	14.02.2025	Mr. K.G. Anilkumar Ms. Umadevi Anilkumar Mr. T.G. Babu Mr. Saseendran V. Mr. A.A. Balan Mr. Shinto Stanly	100%
10.	07.03.2025	Mr. K.G. Anilkumar Ms. Umadevi Anilkumar Mr. T.G. Babu Mr. Saseendran V. Mr. A.A. Balan Mr. Shinto Stanly	100%

**d) General Meetings held during the financial year**

During the financial year two General Meetings through e-voting of the shareholders were held, details of the same are disclosed as below:

Nature of meeting	Date of meeting	Number of members attended	Percentage of attendance
93 <sup>rd</sup> Annual General Meeting	28.09.2024	22	1.39%

Additionally the members of the Company have approved certain resolutions by way of postal ballot on February 14, 2025.

**e) Composition of the Board of Directors & Key Managerial Personnel**

The Board of the Company is headed by Mr. Shinto Stanly, Independent Director, an eminent person of high credentials and of considerable professional experience, who actively contributed in the deliberations of the Board. As on close of business hours of March 31, 2025, the Board comprised of 6 Directors and headed by 2 Key Managerial Personnel as mentioned below:

Sl. No.	Name	DIN/PAN	Designation
01.	Mr. K.G. Anilkumar	00766739	Managing Director (Executive)
02.	Ms. Umadevi Anilkumar	06434467	Director (Non-Executive)
03.	Mr. T. G. Babu	08315374	Independent Director (Non-Executive)
04.	Mr. Saseendran V.	08205871	Independent Director (Non-Executive)
05.	Mr. A. A. Balan	01996253	Independent Director (Non-Executive)
06.	Mr. Shinto Stanly	06534505	Independent Director (Non-Executive)
07.	Mr. Madhavankutty T.	ACXPT7620E	Chief Financial Officer
08.	Mr. Visakh TV	AVWPV0702B	Company Secretary & Compliance Officer

**f) Committees of the Board**

The Company has various Committees which have been constituted as a part of good corporate governance practices and the same are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

**i. Audit Committee****i) Description & Terms of reference**

The Company has constituted and maintained independent, competent and qualified Audit Committee by complying the provisions of section 177 of the Act, read with rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and applicable regulations of the Listing Regulations and amendments made thereunder. The functions of the Audit Committee include the following:



- Review of financial statements and Auditors' report.
- Recommendation for appointment, retention, termination, remuneration and terms of appointment of Statutory Auditors of the Company and allied matters.
- Recommendation for appointment, retention, termination, remuneration and terms of appointment of Internal Auditors of the Company, review of Internal Auditors' report and allied matters.
- Recommendation for appointment, retention, termination, remuneration and terms of appointment of Chief Financial Officer of the Company.
- Statement of uses/application of funds.
- Approval of Related Party Transactions and such other subsequent related modifications.
- Such other matters envisaged in the aforesaid provisions of the Companies Act, 2013 and rules made thereunder

## ii) Composition

The Audit Committee of the Company comprised of following members:

Name & Designation	Nature of directorship	Position in Committee
Mr. Shinto Stanly	Independent Director	Chairman
Mr. T. G. Babu	Independent Director	Member
Mr. Saseendran V.	Independent Director	Member
Ms. Umadevi Anilkumar	Non-Executive Director	Member

## iii) Changes during the year

Mr. Shinto Stanly has been appointed as the Member of the Committee with effect from May 29, 2024. Further he has been appointed as the Chairman of the committee with effect from August 14, 2024 and Mr. T. G. Babu has been redesignated as a Member of the Committee, from his previous position as Chairman of the Committee.

## iv) Meetings & Attendance

During the year, the Audit Committee of the Company has convened 8 (Eight) meetings, details of the same are as mentioned below.

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
01.	24.04.2024	Mr. T. G. Babu Ms. Umadevi Anilkumar Mr. Saseendran V.	100%
02.	29.05.2024	Mr. T. G. Babu Mr. Saseendran V.	67%
03.	09.07.2024	Ms. Umadevi Anilkumar Mr. Saseendran V. Mr. Shinto Stanly.	75%
04.	14.08.2024	Ms. Umadevi Anilkumar Mr. Saseendran V. Mr. Shinto Stanly	75%
05.	27.08.2024	Ms. Umadevi Anilkumar Mr. Saseendran V. Mr. Shinto Stanly.	75%
06.	14.11.2024	Mr. T.G. Babu Mr. Shinto Stanly Mr. Saseendran V.	75%
07.	27.12.2024	Mr. T.G. Babu Ms. Umadevi Anilkumar Mr. Saseendran V. Mr. Shinto Stanly	100%
08.	14.02.2025	Mr. T.G. Babu Ms. Umadevi Anilkumar Mr. Saseendran V. Mr. Shinto Stanly	100%

## ii. Nomination & Remuneration Committee

### i) Description & Terms of reference

The Company has constituted and maintained competent and qualified Nomination and Remuneration Committee by complying the provisions of section 178 of the Act, read with rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and applicable provisions of the Listing Regulations and amendments made thereunder. The functions of the Nomination and Remuneration Committee include the following:

- Review and approval of appointment, removal, resignation and retirement of Directors, Key Managerial Personnel and Senior Management Staff of the Company.



- Review and approval of remuneration of Directors, Key Managerial Personnel and Senior Management Staff of the Company.
- Evaluation of performance of Directors, Key Managerial Personnel, Senior Management Staff and Committees of Board.
- Review of the performance of Directors, Key Managerial Personnel and Senior Management.
- Such other matters envisaged in the aforesaid provisions of the Companies Act, 2013 and rules made thereunder.

## ii) Composition

The members of the Nomination and Remuneration Committee are as follows:

Name & Designation	Nature of directorship	Position in Committee
Mr. T G Babu	Independent Director	Chairman
Mr. Saseendran V.	Independent Director	Member
Ms. Umadevi Anilkumar	Non-Executive Director	Member
Mr. Shinto Stanly	Independent Director	Member

## iii) Changes during the year

Mr. Shinto Stanly has been appointed as the Member of the Committee with effect from May 29, 2024. He has been appointed as the Chairman of the committee with effect from August 14, 2024 and Mr. T. G. Babu has been redesignated as a Member of the Committee, from his previous position as Chairman of the Committee.

Further, Mr. T. G. Babu redesignated as a Chairman of the Committee and Mr. Shinto Stanly has been redesignated as the Member of the Committee with effect from December 27, 2024.

## iv) Meetings & Attendance

During the year, the Nomination and Remuneration Committee of the Company had convened 4 (Four) meetings, details of the same as mentioned below.

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
01.	09.07.2024	Mr. Shinto Stanly Ms. Umadevi Anilkumar Mr. Saseendran V.	75%
02.	27.08.2024	Mr. Shinto Stanly Ms. Umadevi Anilkumar Mr. Saseendran V.	75%

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
03.	27.12.2024	Mr. Shinto Stanly Mr. T. G. Babu Ms. Umadevi Anilkumar Mr. Saseendran V.	100%
04.	10.01.2025	Mr. Shinto Stanly Mr. T. G. Babu Ms. Umadevi Anilkumar Mr. Saseendran V.	100%

## iii. Stakeholders Relationship Committee

### i) Description & Terms of reference

The Company has constituted and maintained competent and qualified Stakeholders' Relationship Committee by complying the provisions of section 178 (5) of the Act, applicable regulations of the Listing Regulations and amendments made thereunder. The functions of the Stakeholders' Relationship Committee include the following:

- Ensure that the views/concerns of the shareholders are highlighted to the Board at appropriate time and that the steps are taken to address such concerns.
- Resolve complaints related to transfer/transmission of shares, non-receipt of annual report and non-receipt of declared dividends, General Meetings, issue of new/duplicate certificates and new certificates on split/consolidation/renewal etc., transfer/transmission, dematerialization and re-materialization of equity shares in a timely manner and oversee the performance of the Registrar and Transfer Agents.
- Review the process and mechanism of redressal of investor complaints and suggesting measures of improving the existing system of redressal of investor grievances
- Such other matters envisaged in the aforesaid provisions of the Companies Act, 2013 and rules made thereunder.

### ii) Composition

The members of the Stakeholders Relationship Committee are as follows:

Name & Designation	Nature of directorship	Position in Committee
Mr. Shinto Stanly	Independent Director	Chairman
Mr. T. G. Babu	Independent Director	Member
Mr. Saseendran V.	Independent Director	Member
Ms. Umadevi Anilkumar	Non-Executive Director	Member

### iii) Changes during the year

Mr. Shinto Stanly has been appointed as the Member of the Committee with effect from May 29, 2024. Further he has been appointed as the Chairman of the committee with effect from August 14, 2024 and Mr. T. G. Babu has been redesignated as a Member of the Committee, from his previous position as Chairman of the Committee.

### iv) Meetings & Attendance

During the year, the Stakeholders Relationship Committee of the Company had convened 1 (One) meeting, details of the same are as mentioned below.

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
01.	09.07.2024	Mr. Shinto Stanly Ms. Umadevi Anilkumar Mr. Saseendran V.	75%

### iv. Corporate Social Responsibility Committee

#### i) Description & Terms of reference

The Company has constituted and maintained competent and qualified Corporate Social Responsibility (hereinafter also referred to as "CSR") Committee by complying the provisions of section 135 of the Act and amendments made thereunder. The functions of the CSR Committee include the following:

- Prepare a detailed CSR Action Plan, delineating the CSR activities to be carried out during the upcoming financial years, including the budgets thereof, manner of execution, implementation schedules, modalities of utilization of funds and monitoring & reporting mechanism for the CSR activities and submit before the Board for approval on annual basis.
- Formulation and recommend to the Board, a CSR Policy which shall indicate the projects/activities to be undertaken by the Company in areas or subject, as specified in Schedule VII.

#### ii) Composition

Corporate Social Responsibility Committee consists of following members:

Name & Designation	Nature of directorship	Position in Committee
Mr. Shinto Stanly	Independent Director	Chairman
Mr. Saseendran V.	Independent Director	Member
Mr. T.G. Babu	Independent Director	Member
Ms. Umadevi Anilkumar	Non-Executive Director	Member

### iii) Changes during the year

Mr. Shinto Stanly has been appointed as the Member of the Committee with effect from May 29, 2024. Further he

has been appointed as the Chairman of the committee with effect from August 14, 2024 and Mr. T. G. Babu has been redesignated as a Member of the Committee, from his previous position as Chairman of the Committee.

### iv) Meetings & Attendance

During the year, the Corporate Social Responsibility Committee of the Company had convened 1 (one) meeting, details of the same as mentioned below.

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
01.	09.07.2024	Mr. Shinto Stanly Ms. Umadevi Anilkumar Mr. Saseendran V.	75%

### v. Debenture and Bond Committee

#### i) Description & Terms of reference

The Company has constituted and maintained competent and qualified Debenture & Bond Committee by considering the provisions of the Companies Act, 2013 and amendments made thereunder. The functions of the Debenture & Bond Committee include the following:

- Processing, verifying and approving of Debenture, Bond or other debt instrument applications, offer letters, record of offers and such other related documents.
- Approval of issue and allotment of Secured Redeemable Non-Convertible Debentures, Bonds or Unsecured Redeemable Non-Convertible Debentures or such other debt instruments on private placement basis.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Such other matters envisaged in the applicable provisions of the Companies Act, 2013 and rules made thereunder.

#### ii) Composition

The members of the Committee during the year under report are as follows:

Name & Designation	Nature of directorship	Position in Committee
Mr. Shinto Stanly	Independent Director	Chairman
Mr. K. G. Anilkumar	Managing Director	Member
Ms. Umadevi Anilkumar	Non-Executive Director	Member
Mr. T. G. Babu	Independent Director	Member

### iii) Changes during the year

Mr. Shinto Stanly has been appointed as the Member of the Committee with effect from May 29, 2024. Further he has been appointed as the Chairman of the committee



with effect from August 14, 2024 and Mr. T. G. Babu has been redesignated as a Member of the Committee, from his previous position as Chairman of the Committee.

#### iv) Meetings & Attendance

During the year, the Debenture & Bond Committee of the Company had convened 4 (four) meetings, details of the same are as mentioned below:

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
1.	09.07.2024	Mr. Shinto Stanly Mr. K. G. Anilkumar Ms. Umadevi Anilkumar	75%
2.	20.11.2024	Mr. T. G. Babu Mr. Shinto Stanly	50%
3.	08.01.2025	Mr. T. G. Babu Mr. K. G. Anilkumar Ms. Umadevi Anilkumar Mr. Shinto Stanly	100%
4.	15.03.2025	Mr. T. G. Babu Mr. K. G. Anilkumar Ms. Umadevi Anilkumar Mr. Shinto Stanly	100%

#### vi. Risk Management Committee

##### i) Description & Terms of reference

The Company has constituted and maintained competent and qualified Risk Management Committee by complying the provisions of the Companies Act, 2013, directions under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and amendments made thereunder. The Committee reviews the Risk Management Policy, document and improve risk management practices, ensure appropriate/adequate reporting to the Board, manage the integrated risk, review the functioning of the Risk Management Department and any other matter as the Committee may deem fit. The Committee is involved in the process of identification, measurement, monitoring and mitigation of the various risks faced by the Company.

##### ii) Composition

The members of the Risk Management Committee during the year under report are as follows:

Name & Designation	Nature of directorship	Position in Committee
Mr. Shinto Stanly	Independent Director	Chairman
Mr. K.G. Anilkumar	Managing Director	Member
Mr. Saseendran V.	Independent Director	Member
Mr. T. G. Babu	Independent Director	Member

##### iii) Changes during the year

Mr. Shinto Stanly has been appointed as the Member of the Committee with effect from May 29, 2024. Further he has been appointed as the Chairman of the committee

with effect from August 14, 2024 and Mr. T. G. Babu has been redesignated as a Member of the Committee, from his previous position as Chairman of the Committee.

#### iv) Meetings & Attendance

During the year, Risk Management Committee of the Company had convened 1 (one) meeting, details of the same are as mentioned below:

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
01.	09.07.2024	Mr. Shinto Stanly Mr. K.G. Anilkumar Mr. Saseendran V.	75%

#### vii. Asset-Liability Management Committee

##### i) Description & Terms of reference

The Company has compiled Asset-Liability Management Committee in line with provisions of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. The Committee ensures the adherence to the risk tolerance/limits set by the Risk Management Committee as well as implanting the risk management strategy, policies and procedures of the Company and will support the Risk Management Committee to establish a framework for the Company's risk management process and implementation.

##### ii) Composition

The members of the Asset Liability Management Committee during the year under report are as follows:

Name & Designation	Nature of directorship	Position in Committee
Mr. K.G. Anilkumar	Managing Director	Chairman
Ms. Umadevi Anilkumar	Non-Executive Director	Member
Mr. T.G. Babu	Independent Director	Member

- In addition to the above, persons holding the positions of the Finance Manager & Accounts Manager from time to time shall be the permanent members of the Committee.

##### iii) Meetings & Attendance

During the year, the Asset Liability Management Committee of the Company had convened 1 (one) meeting, details of the same are as mentioned below:

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
01.	09.07.2024	Mr. K.G. Anilkumar Ms. Umadevi Anilkumar Mr. T.G. Babu Ms. Nikitha Binoy Mr. Sunil	100%



### viii. Branch Authorisation Committee

#### i) Description & Terms of reference

The Company has constituted Branch Authorisation Committee by complying the provisions of the Companies Act, 2013 and amendments made thereunder with powers to open new branches on PAN India basis, close, merge or shift the existing branches etc. and with ample powers for opening/closure of bank account/changes in signatories of bank accounts of all branches of the Company.

#### ii) Composition

The members of the Branch Authorisation Committee during the year under report are as follows:

Name & Designation	Nature of directorship	Position in Committee
Mr. Saseendran V.	Independent Director	Chairman
Mr. K.G. Anilkumar	Managing Director	Member
Ms. Umadevi Anilkumar	Non-Executive Director	Member

#### iii) Meetings & Attendance

During the year, the Branch Authorisation Committee of the Company had convened only 1 (One) meeting, details of the same as mentioned below:

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
01.	09.07.2024	Mr. Saseendran V. Mr. K. G. Anilkumar Ms. Umadevi Anilkumar	100%

### ix. Internal Complaints Committee

#### i) Description & Terms of reference

The Company has constituted and maintained competent and qualified Internal Complaints Committee by considering the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and amendments made thereunder. The functions of the Internal Complaints Committee include the following:

- Supervising the development and implementation of this policy, including the work of the Nodal Officer and Investigation Team, if any.
- Receive reports from the Nodal Officer concerning the conciliation, inquiry and resolution of complaints made pursuant to this policy on a quarterly basis.
- Responsibility for co-ordinating the conciliation and inquiry of any serious sexual harassment complaints concerning alleged violation of any laws, rules or regulations those apply to the Company.

- Ensure all employees are encouraged to reinforce the maintenance of a work environment free from sexual harassment.
- Organise workshops and awareness programmes at regular intervals for sensitising the employees with the provisions of the said Act and orientation programmes for the members of the Committee on periodical basis.
- Sign and submit copies of the reports of the investigations and such other supporting documents with any judicial, quasi judicial, regulatory, other government department or anyone concerned or interested in the matter signed by the Chairman of the Committee, whenever and wherever required

#### ii) Composition

The members of the Internal Complaints Committee during the year under report are as follows:

Name & Designation	Nature of directorship/ designation	Position in Committee
Ms. Rajashree Ajith	Whole-time Director of Holding Company	Chairperson
Mr. Lijesh K	Assistant Company Secretary	Member
Mr. Savio V Simon	Assistant Company Secretary	Member
Ms. Chinju C Chummar	Accounts Executive	Member
Adv. Usha A	External Member	Member
Ms. Ambika P	Senior Branch Manager	Member
Ms. Sasirekha S	Branch Head	Member

#### iii) Changes during the year

During the year the committee was reconstituted with effect from March 07, 2025 by introducing new members to the committee.

#### iv) Meetings & Attendance

During the year, the Internal Complaints Committee of the Company had convened 3 (Three) meeting, details of the same are as mentioned below:

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
1.	09.07.2024	Ms. Umadevi Anilkumar Mr. Sam S. Maliakal Adv. Sandhya Pran Ms. Nikitha Binoy	100%
2.	16.07.2024	Ms. Umadevi Anilkumar Adv. Sandhya Pran	50%



Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
3.	28.03.2025	Ms. Rajashree Ajith Ms.Usha A Ms.Chinju Chummar C Mr.Lijesh.k Mr.Savio V Samion	71%

#### x. IT Strategy Committee

##### i) Description & Terms of reference

The Company has constituted and maintained competent and qualified IT Strategy Committee by complying the provisions of the Companies Act, 2013, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and amendments made thereunder. The functions of the IT Strategy Committee include the following:

- Approving IT Strategy and Policy documents, implementation of process and practices, ensuring proper balance of IT investments for sustaining the Company's growth and identifying the potential risks and control of the Company.
- Develop internal framework, guidelines, plans of action and specimen formats supporting the implementation of IT policy by providing the best corporate practices and submit with the Board on annual basis for approval.
- Communicating significant IT risks to the Risk Management on periodic basis.
- Recommendation of a senior official in hierarchy of the Company, who possess adequate professional qualification and experience in the area of IT framework to the position of Chief Information Officer of the Company along with terms and conditions including a fixed tenure with the Board of Directors of the Company.
- Provide necessary directions to the Steering Committee from time to time to ensure orderly and efficient execution of the IT risk management measures in accordance with this Policy.

##### ii) Composition

The members of the IT Strategy Committee during the year under report are as follows:

Name & Designation	Nature of directorship/ designation	Position in Committee
Mr. Shinto Stanly	Independent Director	Chairman
Ms. Umadevi Anilkumar	Non-Executive Director	Member
Mr. Saseendran V.	Independent Director	Member
Mr. T. G. Babu	Independent Director	Member

- In addition to the above, persons holding the positions of the Finance Manager, Accounts Manager and Information Technology Manager from time to time shall be the permanent members of the Committee.

##### iii) Changes during the year

Mr. Shinto Stanly has been appointed as the Member of the Committee with effect from May 29, 2024. Further he has been appointed as the Chairman of the committee with effect from August 14, 2024 and Mr. T. G. Babu has been redesignated as a Member of the Committee, from his previous position as Chairman of the Committee.

##### iv) Meetings & Attendance

During the year, the IT Strategy Committee of the Company had convened 1 (one) meeting, details of the same are as mentioned below:

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
1.	09.07.2024	Ms. Umadevi Anilkumar Mr. Saseendran V. Mr. Shinto Stanly Mr. Sunil Mr. Abhinand Ms. Nikitha Binoy	86%

#### xi. IT Steering Committee

##### i) Description & Terms of reference

The Company has constituted and maintained competent and qualified IT Steering Committee by complying the provisions of the Companies Act, 2013, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and amendments made thereunder. The functions of the IT Steering Committee include the following:

- To provide oversight and monitoring of the progress of the project, including deliverables to be realized at each phase of the project and milestones to be reached according to the project timetable.
- Assist IT Strategy Committee in organizing IT training, awareness and orientation programmes at regular intervals for sensitizing the members of the Board and all Committees and employees at all levels with the IT framework of the Company.
- Formulate teams like operational staff, staff from Information System, Technology Support, Systems Development, network and Operations Services, Voice Communications, Key Business Units etc. for effective implementation of IT Policy.
- Support IT Strategy Committee to establish a framework for the Company's risk management process and implementation.

- Assist IT Strategy Committee in maintaining a culture of co-operation and openness between the Board of Directors, management, Statutory Auditors, Internal Auditors, System Auditors etc.

## ii) Composition

The members of IT Steering Committee during the year under report are as follows:

Name & Designation	Nature of directorship/ designation	Position in Committee
Mr. K. G. Anilkumar	Managing Director	Chairman
Ms. Umadevi Anilkumar	Non-Executive Director	Member

In addition to the above, persons holding the positions of the Finance Manager, Accounts Manager, Information Technology Manager, Human Resource Manager and Operations Manager from time to time shall be the permanent members of the Committee.

## iii) Meetings & Attendance

During the year, the IT Steering Committee of the Company had convened 1 (one) meetings, details of the same are as mentioned below:

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
1.	09.07.2024	Mr. K.G. Anilkumar Ms. Umadevi Anilkumar Ms. Nikitha Binoy Mr. Abhinand Mr. Sunil	83%

\* Position of Operations Manager was vacant during the year under report.

## xii. Meeting of Independent Directors

During the year, the Independent Directors of the Company had convened 1 (one) meeting, without presence of the Executive Director(s) and the Non-Executive Non-Independent Directors, details of the same are as mentioned below:

Sl. No.	Date of the meeting	Present throughout the meeting	Percentage of attendance
1.	09.07.2024	Mr. Saseendran V. Mr. A. A. Balan Mr. Shinto Stanly	75%

## g) Policy on appointment of Directors and remuneration

Pursuant to the provisions of section 134(3)(e), salient features of the Company's policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3) is annexed as 'Annexure 2'.

Nomination and Remuneration Committee Policy of the Company may be accessed on the Company's website at:

<https://www.salemerode.com/downloads/policies/Nomination%20and%20Remuneration%20Policy.pdf>

## h) Board evaluation

Your Board has in place a well-defined performance evaluation framework for evaluating the performance of the Board, its Committees and of individual Directors, inter-alia, includes factors like participation at Board/Committee meetings, managing relationship with fellow Board Members, knowledge and skill, personal attributes like ethics and integrity, independent judgment with regard to corporate strategy, performance, risk management, corporate governance implementation and knowledge about the Company and external environment in which it operates, confidentiality level, adherence to the applicable code of conduct for Directors etc. The questionnaires and self assessment sheets used for performance evaluation, which were further reviewed and improvised during financial year are comprehensive for evaluation.

## i) Corporate Social Responsibility initiatives

The CSR Policy of the Company has been developed in accordance with section 135 of the Companies Act, 2013 and Schedule VII of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other applicable rules, regulations and amendments made thereunder. The CSR Policy includes guiding principles for carrying out the CSR activities in accordance with the provisions contained in Act and for ensuring CSR activities are conducted in all respects according to ethical, professional & legal standards and enhancing social value of the Company. The CSR Policy of the Company outlines composition of CSR Committee, role and responsibilities of the CSR Committee, role and responsibilities of CSR Compliance Officer, CSR budget, designing & selection of CSR activities, implementation, evaluation, reporting etc.

The Company had no mandatory requirement to contribute CSR fund during financial year 2024-25.

The annual report on CSR activity which is enclosed herewith as 'Annexure 3'.

As reported by the CSR Committee, the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the Company. Corporate Social Responsibility policy of the Company can be accessed on the Company's website at:

<https://www.salemerode.com/downloads/policies/Corporate%20Social%20Responsibility%20Policy.pdf>

## j) Directors' Responsibility Statement

Pursuant to the requirements under section 134 (3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:



- a. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with the proper explanation relating to material departures;
- b. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of loss of the Company for that period;
- c. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the Directors had prepared the annual accounts for the year ended March 31, 2025 on a going concern basis;
- e. that the Directors have laid down internal financial controls for the Company and such internal financial controls are adequate and were operating effectively; and
- f. that 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.

**k) Internal Financial Control**

The Company has in place adequate internal controls with reference to financial statements and operations, which is commensurate with the size and nature of its business. The internal control system is supported by an internal audit department which conducts regular internal audits.

Your Board had appointed M/s. Saji Mathew and Associates, Chartered Accountants, Kochi as the Internal Auditors of the Company. The scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. During the year under review, internal controls were evaluated and no significant weakness were identified either in the design or operation of the control.

**l) Details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government.**

During the year under review, there were no cases of frauds reported by the auditor(s) either to the Board of Directors or to the Audit Committee of the Company under sub-section (12) of Section 143. Further, no report under sub-section (12) of section 143 of the Companies Act has been filed by the

Statutory Auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

**m) Details relating to Deposits covered under Chapter V of the Companies Act, 2013**

Your Company has not accepted any Deposits from Public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, during the year under review. The disclosure on details of deposits for the year under review are as follows:

- (a) Accepted during the year – Nil
- (b) Remained unpaid or unclaimed as at the end of the year- Nil
- (c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-
  - i. At the beginning of the year - Nil
  - ii. Maximum during the year - Nil
  - iii. At the end of the year - Nil
- (d) Details of deposits which are not in compliance with the requirement of the Chapter V of the Act - Nil.

**XI. Details of subsidiary/joint ventures/ associate Companies**

No Company became or ceased to be Subsidiary or Joint Venture or Associate of the Company during the year and till the date of the report. ICL Fincorp Limited, holding 75% of the equity shares continues to be the Holding Company.

**XII. Loans, guarantees or investments of the Company**

The Company extended various loans to its holding Company, ICL Fincorp Limited in previous financial years. However, during the Financial Year 2024-25 the loan amounts were fully repaid by the Holding Company.

As on March 31, 2025 the Company has not given any loans or guarantee or provided security in connection with loan to any other body corporate or any person in respect of loan availed by them as per the provisions of section 186 of the Companies Act, 2013.

**XIII. Particulars of contracts or arrangements with related parties**

Contracts/ arrangements/ transactions entered by the Company during the financial year 2024-25 with related



parties under Section 188 of the Act were in ordinary course of business and on arm's length basis. The particulars of contracts/ arrangements with related parties under Section 188 in Form AOC-2 is annexed with this report as "Annexure 4".

#### **XIV. Particulars regarding conservation of energy, technology absorption and foreign exchange earnings & outflow**

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo as required to be disclosed under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (accounts) Rules, 2014, is disclosed in "Annexure 5" as attached with this report

#### **XV. Dematerialisation of Shares**

As on March 31, 2025, a total of 1,07,50,986 equity shares are held by the shareholders in Demat form.

#### **XVI. Fair Practice Code**

The Company has in place a Fair Practices Code ("FPC") as approved by the Board, in compliance with the guidelines issued by RBI, to ensure better service and provide necessary information to customers enabling them to take informed decisions. The FPC is available on the website of the Company at <https://www.salemerode.com/>

#### **XVII. Risk Management Policy**

The Company has internal Risk Management Policy wherein all material risks faced by the Company are managed by competent personnel and the same is reviewed by Risk Management Committee on a periodic basis. The Company is generally exposed to the following types of risks.

##### **a) Strategic Risks (External Risks)**

Strategic Risks are potential business threats arising from events and trends that can adversely impact the Company's strategic growth trajectory and destroy shareholder value. Strategic risks include the following:

- Political/Government related Risks
- Competition Risk
- Reputational Risk
- Force Majeure
- Legal Risk
- Regulatory & Compliance Risk
- Credit Rates Risk

##### **b) Operating Risks (Internal Risks)**

Operating risk is the level of uncertainty associated with the core operations of a business. Operating risks include the following:

- Liquidity Risk
- Currency Risk
- Interest Rate risk
- Credit Risk
- Employee Risk
- Information Technology Risk
- Fraud Risk

The Risk Management Committee will periodically review these various risks faced by the Company and will advise the Board on risk mitigation plans on such risks. To cut it short, the risks and the mitigation plans are explained briefly as follows:

##### **Political/Government related risks**

This includes changes in the government policies or any socio-political contingencies which may adversely affect the business of the Company.

Mitigation Plan: Reviewing and monitoring the changes in rules and regulations in relation to NBFCs by the Government will help the Company to oversee the consequences and act accordingly to a certain extent.

##### **Competition Risks**

Major competitions faced by the Company are from other NBFCs, different types of banking Companies including public sector/private sector banks, Co-operative banks, foreign banks, India Post, local money lenders and other unauthorized financiers.

Mitigation Plan: Your Company is having a good internal quality check mechanism to keep a close watch on competitor's strengths, weaknesses, competition dynamics etc. and focus on the awareness campaigns as per the directions of Reserve Bank of India among its employees, stakeholders etc. The marketing department will concentrate on these areas and ensure that these competitions do not affect the smooth functioning of the Company.

##### **Reputational Risks**

Damage to the trust and confidence of the stakeholders that may materially and adversely affect the business, future financial performance and results of operations of the Company constitute reputational risks of the Company.

Mitigation Plan: Ensures accuracy in its documents published through Website, Regulatory Bodies and Social media and keeping prompt compliance with regulatory directives and other laws both in letter and spirit.

##### **Force Majeure**

This includes any pandemic outbreak in the society as well as within the Company's premises that adversely affect the financial position as well as the operating results of the Company.



Mitigation Plan: Your Company developed a disaster management plan with delegation of responsibility and set up Nodal Disaster Management Committee to prevent any such loss.

#### Legal, Regulatory and Compliance Risk

Being a NBFC, the Company has to follow various acts and any non-compliance in relation to the above areas will lead to huge penalty and loss of reputation for the Company.

Mitigation Plan: Your Company retained well-structured professionals including Chartered Accountants, Company Secretaries, Cost Accountants, Advocates, high profile retired hands etc. to ensure all the compliances are being done in a fair and timely manner.

#### Credit Rates Risks

Any, downgrade of credit ratings would increase borrowing costs and constrain access to debt and bank lending markets and thus, would adversely affect business.

Mitigation Plan: Oversee the factors determining the credit ratings of the Company will prevent downgrading of credit ratings.

#### Liquidity Risks

This includes financial risk due to uncertain liquidity. Liquidity Risk management in NBFCs are defined as the risk of being unable either to meet their obligations to depositors or unable to invest to meet unacceptable costs or losses occurred.

Mitigation Plan: Your Company is having a reliable Management Information System to provide timely and forward-looking information on the liquidity position of the Company and report to the Asset Liability Management Committee, both under normal and stress situations.

#### Interest Rate Risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the Company's financial condition.

Mitigation Plan: Your Company estimates the behavioral pattern of various components of assets and liabilities on the basis of past data/empirical studies to classify assets and liabilities in the appropriate time buckets.

#### Credit Risk

Credit Risk is one of the major inevitable financial risks charged with every NBFC. It may be defined as the potential that a borrower or counter party will fail to meet their obligations in accordance with agreed terms.

Mitigation Plan: Well structured customer verification, recovery management etc. will support reduction of credit risks of the Company.

#### Employee Risk

The Company rely significantly on the performance of Board of Directors, Key Managerial Personnel and Top Level Management. Loss of any member from the said category may adversely affect business and results of operation. Identifying potential and caliber candidatures in right position of the Company and maintain them for future is another employee related risk.

Mitigation Plan: Equal opportunity in terms of position & remuneration, continuous training and development programs etc. will prevent the employee turnover of the Company.

#### Fraud Risk

Fraudulent risks arises from different types of frauds involving Directors, employees of the Company, employees of subsidiary or Group Companies, security holders, other agencies deployed for the Company's activities, whether working from any of the Company's offices or any other location, contractors, vendors, suppliers or agencies.

Mitigation Plan: Security arrangements both physical & electronic form and periodically check of all areas of operations through gold audit, internal audit etc. will help the Company to reduce the fraudulent risks.

In the opinion of the Board there are no risks which may threaten the existence of the Company.

### XVIII. Vigil Mechanism and Whistle Blower Policy

The Company has established a vigil mechanism to promote ethical behavior in all its business activities and has in place a mechanism for employees to report any genuine grievances, illegal, unethical behaviors, suspected fraud, violation of laws, rules and regulation or conduct to the Whistle Blower Officer or Audit Committee or the Board of Directors of the Company. The policy also provides for adequate protection to the whistle blower against victimization or discriminatory practices. Further, vigil mechanism ensures direct access to the higher levels of supervisors and/or to the Chairman of the Audit Committee, in appropriate or exceptional cases. The details of the Whistle Blower Policy are available on the website of the Company at [www.salemerode.com](http://www.salemerode.com).

### XIX. Significant and material orders passed by the regulators/courts

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

## XX. Statutory Auditors

The members of the Company vide. 93rd Annual General Meeting held on 28th day of September, 2024 has appointed M/s. Mohandas & Associates, Firm Registration No. 02116S, Chartered Accountants, 3rd Floor, Sree Residency, Press Club Road, Thrissur, Kerala - 680001 as the Statutory Auditors of the Company for 5 (five) consecutive financial years commencing from 2024-25 to 2028-29. M/s. Mohandas & Associates has fulfilled the conditions specified in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 for the continuing the office of statutory auditors of the Company until the conclusion of 98th Annual General Meeting.

## XXI. Comments by the Board on qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors

The Statutory Auditor has not made any qualification, reservation or adverse remark or disclaimer in the audit report for the financial year 2024-25.

## XXII. Secretarial Auditor

Your Board has appointed Mr. Yacob P.O., Practising Company Secretary having office at 02nd Floor, Kalarikkal Building, Karingachira, Tripunithura, Kerala - 682301 as the Secretarial Auditor of the Company. The Secretarial Audit Report in form MR 3 is enclosed as 'Annexure 6' forms part of this report.

## XXIII. Comments by the Board on qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditor

The Secretarial Auditor has not made any qualification, reservation or adverse remark or disclaimer in the audit report for the financial year 2024-25.

## XXIV. Compliance with Secretarial Standards

The Company has complied with all the provisions stipulated under Secretarial Standards issued by the Institute of Company Secretaries of India.

## XXV. Failure to implement any corporate action

The Company has completed corporate actions with respect to issue of Non-Convertible Debentures on time. Other than the said Non-Convertible Debentures, there was no other corporate actions like buy back of securities, payment of dividend declared, mergers and de-mergers, delisting, split and issue of any other securities occurred during the year under report.

## XXVI. Extract of Annual Return

The Annual Return in form MGT-7 as per section 134(3)(a) & section 92(3) of the Companies Act, 2013, read with rule 12 of Companies (Management & Administration) Rules, 2014 is available on the website of the Company at <https://www.salemerode.com>

## XXVII. Disclosure under Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the provisions of Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee has not received any complaints of sexual harassment during the year under report. Detailed statement regarding the same is tabled below:

01.	Number of complaints of sexual harassment pending at the beginning of the financial year 2024-25	Nil
02.	Number of complaints of sexual harassment received during the financial Year 2024-25	1
03.	Number of complaints disposed off during the financial year 2024-25	1
04.	Number of complaints pending as on the end of the financial year 2024-25	Nil
05.	Number of complaints pending for more than 90 days	Nil

## XXVIII. Compliance with NBFC regulations

Your Company has complied and continues to comply with all the regulatory requirements applicable to Non- Banking Financial Institutions as per Reserve Bank of India's guidelines pertaining to Non-Performing Assets, Know Your Customer, Loan to Value, Fair Practices Code, Capital Adequacy, Leverage Ratios etc. However, due to delay in finalization of financial statements of all Companies falls under common promoter group, the Company was unable to complete filings or compliances as stipulated under Scale Based Regulations 2023 - Non-Banking Financial Company within stipulated time. The Company has taken sufficient measures to comply the same on war footing basis.

## XXIX. Particulars of employees

The Company does not have any employee whose remuneration exceeding the limits prescribed under section 197 (12) of the Companies Act, 2013 read with rule



5 (2) of the Company's (Appointment and Remuneration of Managerial Personnel Rules), 2014. Further details are given in 'Annexure 7' forming part of the Board Report.

### XXX. Pecuniary relationship or transactions with the non-executive directors and Criteria of making payments to non-executive directors

Please refer Note Number 36 of the financial statements for all transactions with Directors and their related parties. Further, there is no payment other than sitting fees paid to non-executive directors. Sitting fees are approved by the Board separately for Board and committee meetings

### XXXI. Remuneration received by Managing/ Whole time Director from holding or subsidiary Company

The Managing Director of the Company is also the Managing Director of ICL Fincorp Limited, Holding Company and has received a remuneration of ₹ 22,580.64 thousand from holding Company and ₹ 57 thousand as sitting fees for attending Board Meetings of the Holding Company during the financial year 2024-25.

### XXXII. Other matters

#### a) Statement of deviation or variation

The Company has utilized the funds raised by way of issue of Unlisted Redeemable Secured Non-Convertible Debentures for the purpose as mentioned in the private placement offers.

#### b) Corporate Governance

Pursuant to regulation 15 of Chapter IV of Listing Regulations Corporate Governance compliances as specified in regulation 17 to regulation 27, clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D, and E of Schedule V is not applicable to the Company and a declaration in this effect is submitted with the stock exchange at regular intervals. However, your Board ensure good corporate governance in the Company.

#### c) Details of auctions

There was no public auctions of gold pledged with the Company occurred during the year under report.

#### d) Capital adequacy ratio

The Company maintain Capital Adequacy Ratio ("CRAR") well above the statutory requirement and achieved a CRAR of 63.97% in financial year 2024-25 compared to 49.04% in the previous financial year. The CRAR for tier I assets stood at 63.96% in financial year 2024-25 compared to 49.04% in the previous financial year. The CRAR for tier II assets stood at 0.01% in financial year 2024-25 compared to 0.00% in previous financial year.

#### e) Listing

Equity Shares of your Company are listed only on BSE Limited. Your Company has paid applicable listing fees to stock exchange.

#### f) Grievance redressal

The Company has designated Mr. Anoop K. P. as Customer Grievances Redressal Officer. The communication details for reporting grievances is as follows:

Mr. Anoop KP  
Grievance Redressal Officer  
Salem Erode Investments Limited  
Main Road, Irinjalakuda - 680121  
Ph No.0480 2828071, E-mail id: [grievanceredressal@salemrode.com](mailto:grievanceredressal@salemrode.com)

The Company has designated Mr. Sam S. Maliakal, Human Resources Manager as Employee Grievances Redressal Officer. The communication details for reporting grievances is as follows:

Mr. Sam S. Maliakal,  
Human Resource Manager,  
Salem Erode Investments Limited  
Main Road, Irinjalakuda - 680121  
Phn No. 0480 2828071, Mail id: [hrm@iclfincorp.com](mailto:hrm@iclfincorp.com)

### XXXIII. Other Disclosures

- a) The Consolidated Financial Statements will be presented by ICL Fincorp Limited, Holding Company.
- b) The Company has taken sufficient measures to maintain good and well-structured stakeholder relationship, customer relationship, environment, sustainability and health and safety and various Committees were constituted and maintained to monitor the same.
- c) The Company has convened its Annual General Meeting within stipulated time as specified under the Companies Act, 2013.
- d) The cost records required to be maintained by the Companies pursuant to an order of the Central Government is not applicable to the Company.
- e) General Disclosures
  - i. The Company has not issued any equity shares or preference shares or any other securities which carry a right or option to convert such securities into shares;
  - ii. There was no issue of equity shares with differential rights as to dividend, voting or otherwise;



- iii. There was no issue of sweat equity shares to Directors or employees of the Company under any scheme;
- iv. There was no raising of funds/issue of shares through preferential allotment, rights issue or qualified institutional placement;
- v. There was no options in respect of Employee Stock Options Scheme(s) granted, lapsed, exercised etc;
- vi. There was no shares held in trust for the benefit of employees;
- vii. The Company has not issued any warrants during the year;
- viii. There were no voting rights which are not directly exercised by the employees in respect of equity shares for the subscription/purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Act);
- ix. There was no suspension of trading of securities of the Company ;
- x. There was no revision made in financial statements or the Board's Report of the Company in respect of any of the three preceding financial years;
- xi. There was no change in financial year;
- xii. There was no major capital expenditure programmes carried out during the year.
- xiii. There was no activities carried out in relation to acquisition, merger, expansion, modernization and diversification;
- xiv. There was no activities carried out in relation to developments, acquisition and assignment of material Intellectual Property Rights;
- xv. The Company has not inducted any strategic and financial partners during the year;
- xvi. The Company has not delisted its equity shares, during the year or till the date of the report;
- xvii. The Company has not reclassified or sub-divided the Authorised Share Capital;
- xviii. There was no reduction of share capital or buy back of shares occurred during the year;
- xix. There was no change in the capital structure resulting from restructuring; and
- xx. There was no change in voting rights of shareholders of the Company.
- xxi. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year - Nil.
- xxii. The Company is complied with the provisions relating to the Maternity Benefits Act, 1961.

#### XXXIV. Acknowledgement

The Board wishes to place on record its sincere appreciation to the Company's Customers, Central and State Government Bodies, Auditors, Legal Advisors, Consultants, Registrar and Bankers for their continued support to the Company during the year under report. The Board also expresses its sincere gratitude to the members, other security holders and employees of the Company for their continued trust, co-operation and support.

By order of Board of Directors,  
For Salem ERODE Investments Limited

Sd/-  
**K. G. Anilkumar**  
Managing Director  
(DIN: 00766739)

Sd/-  
**Umadevi Anilkumar**  
Director  
(DIN: 06434467)

Place: Irinjalakuda  
Date: 02.09.2025



# Management Discussion and Analysis Report

## Macroeconomic Overview

India has consolidated its standing as the world's fastest-growing major economy, successfully navigating three turbulent years defined by a global pandemic, disruptive supply chains, the Ukraine conflict, and a worldwide cycle of elevated interest rates implemented to curb high inflation.

While geopolitical risks persist—including ongoing conflicts in Europe and Gaza and rising tensions in West Asia—the widely anticipated global recession has not materialized. Instead, several key macroeconomic indicators have turned positive: Global inflation is declining across most major economies, Unemployment has remained lower than expected, defying earlier projections, and Monetary tightening cycles by major central banks have paused, though rate cuts have yet to begin.

These developments signal a cautiously optimistic global economic environment, within which India continues to demonstrate resilience and strong growth momentum.

According to the IMF's World Economic Outlook (April 2024), global inflation is forecast to decline steadily, from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies.

In a global context where the IMF projects world real GDP growth at 3.2% in both 2024 and 2025, its forecasts for India remain impressive: The IMF revised its growth projection for India's economy in the 2024-25 financial year to 6.8% (subsequently raised to 7.0% in July 2024, showing continued strength), followed by 6.5% in 2025-26. Indeed, the IMF continues to place India as the fastest growing major economy in the world.

With a fair degree of control over retail inflation—despite high and growing domestic demand and significant government-led capital expenditure—India has recorded robust growth in financial year 2023-24. The Second Advance Estimate (SAE) of national income released by the National Statistics Office (NSO) on February 28, 2025, pegged real GDP growth in FY2024-25 at 6.5%, compared to 9.2% (First Revised Estimate) in financial year 2023-24.

## I. Industry structure and developments

### a) Economic review

#### Global economic review & Outlook

The global economy is beginning to stabilize in 2025 after enduring several years of successive negative shocks, including the COVID-19 pandemic, supply chain disruptions, inflationary pressures, and geopolitical conflicts. Global growth is projected to remain steady at 2.6% in 2025, and edge up slightly to 2.7% in

2026-27, supported by modest gains in trade and investment. However, the overall outlook remains subdued and uneven.

Global inflation is expected to moderate more slowly than previously anticipated, averaging 3.5% in 2025. Although price pressures are easing, central banks in both advanced and emerging market economies are likely to maintain a cautious stance, keeping interest rates elevated well above pre-pandemic levels for an extended period. This reflects concerns about underlying inflation persistence and global financial market volatility.

Amid this challenging global backdrop, India has cemented its position as a key economic outlier. In the 2024-25 fiscal year, the country's real GDP grew by a robust 6.5%, defying global headwinds. This impressive performance was supported by strong domestic demand, a resilient services sector, and significant public investment. As a result, India has now surpassed Japan to become the world's fourth-largest economy. The country's inflation has also shown a clear downward trend, with retail inflation falling to 4.6% in 2024-25, the lowest since 2018-19, providing the central bank with more policy flexibility.

Despite these signs of resilience, the global growth trajectory remains below historical norms. Projections over the forecast horizon lag nearly half a percentage point behind the 2010-2019 average, with slower expansion particularly evident in countries that account for over 80% of the global population.

In emerging market and developing economies (EMDEs), growth is projected to moderate from 4.2% in 2023 to 4.0% in 2025. Fragile and conflict-affected states remain especially vulnerable, with more than half still poorer in 2025 than before the pandemic, highlighting deep structural challenges and development setbacks. For many EMDEs, the policy focus must remain on price stability, especially amid ongoing inflation risks. At the same time, high debt levels and elevated debt-servicing costs demand a careful balancing act between investment in development priorities and fiscal sustainability.

Small states face a unique and particularly constrained economic landscape. Their structural vulnerabilities include high trade openness, limited economic diversification, narrow tax bases, and a high susceptibility to external shocks, especially from climate change and natural disasters. The pandemic and subsequent global disruptions have intensified these existing fiscal weaknesses, with government revenues collapsing and public debt-to-GDP ratios rising from already high levels.

Addressing these challenges requires a dual approach:

domestic policy measures to boost resilience and continued international support. Small states have considerable scope to raise domestic revenues by broadening tax bases and strengthening administration, and to enhance spending efficiency by improving fiscal governance. With improved fiscal frameworks and targeted international assistance, they can strengthen their economic resilience and better manage external shocks.

### Indian economic review & Outlook

According to a report by the Ministry of Finance, the Indian economy is projected to achieve nearly 7% growth in the fiscal year 2024-25. This optimistic outlook is a continuation of a remarkable trend, as the economy has sustained growth rates above 7% for three consecutive years.

Recent performance highlights include:

- 8.7% growth in FY 2021-22
- 7.2% growth in FY 2022-23
- 7.3% growth in FY 2023-24, solidifying India's position as the fastest-growing major economy globally

This robust performance is a testament to strong private consumption and investment, government-led reforms, and significant investments in both physical and digital infrastructure. Measures to boost manufacturing and supply capacity have also played a crucial role.

Looking ahead, the report forecasts that real GDP growth will likely remain close to 7% in FY25, with the potential to surpass that mark by 2030. This trajectory is expected to be fueled by the ongoing expansion of digital infrastructure, improvements in institutional efficiency, and an increasingly favorable investment climate.

With these firm growth forecasts and manageable inflation, India is poised to become the third-largest global economy within the next three years, reaching a GDP of USD 5 trillion. The long-term aspiration is to grow into a USD 7 trillion economy by 2030, a significant milestone in improving the quality of life and living standards for the Indian population. These ambitions are supported by a backdrop of political stability and indications that the Reserve Bank of India has concluded its monetary tightening cycle.

### b) Industry review

India's diversified financial services sector is undergoing rapid expansion and transformation, serving as a key engine of the country's economic narrative in fiscal year 2024-25. This growth is driven by rising incomes, government reforms, and a surge in technological innovation. A major highlight is the remarkable progress in digital payments and lending. The Unified Payments Interface (UPI) continues its exponential growth, with monthly transaction volumes exceeding 18 billion and a value of over ₹24 lakh crore as of June 2025. This momentum has cemented UPI's position as a global leader, powering nearly half of all real-

time digital payments worldwide.

This digital-first approach is rapidly expanding financial access. The Reserve Bank of India's Financial Inclusion Index (FI-Index) rose to 67 in March 2025, up from 64.2 a year earlier. This improvement is primarily driven by increased usage and quality of financial services, which includes sustained financial literacy initiatives and consumer protection measures.

Beyond digital payments, other segments of the financial sector are also thriving. Bank credit to the services sector has shown robust growth, reaching ₹48.5 lakh crore by November 2024, with an annual growth rate of 13%. Specific areas like computer software and professional services have seen even higher credit growth, at 22.5% and 19.4% respectively.

Despite these positive trends, challenges persist, particularly in ensuring truly inclusive growth. While access to formal financial services is improving, issues such as low financial literacy and the need for better integration of small businesses (MSMEs) into the digital credit ecosystem remain critical areas for continued focus. Continued progress will require a collaborative approach between regulators, banks, and fintech companies to serve underserved regions and promote deeper market penetration.

### Role and Growth of NBFCs

Non-Banking Financial Companies (NBFCs) have emerged as a crucial source of finance for a broad segment of the population, including Small and Medium Enterprises (SMEs) and the economically underserved. Their wide geographical reach, nuanced understanding of local financial needs, and quick turnaround times enable NBFCs to efficiently serve diverse borrower requirements.

NBFCs play a pivotal role in credit intermediation, delivering last-mile credit via technological innovations. The sector's total credit grew by a significant 20% in fiscal year 2025, outperforming traditional banks and reaching an outstanding balance of ₹48 trillion. This growth was notably fueled by a surge in demand for gold loans and other retail credit products.

The sector's credit-to-GDP ratio, a key measure of its "credit intensity," has risen steadily, reflecting NBFCs' growing importance in credit provisioning. According to a report by Ionic Wealth, this ratio reached 26% in FY25, a substantial increase from 16% in FY19. Furthermore, NBFCs are playing a critical role in financial inclusion by supporting millions of MSMEs. Loans to the MSME sector are expected to grow by 27-29% in the coming period, significantly outpacing the growth rate of banks in this segment and highlighting the NBFCs' focus on this underserved market.

### Recent Performance and Trends

The NBFC sector continued to demonstrate strong credit momentum in FY 2024-25, with overall credit growth reaching approximately 20%, maintaining the high pace seen in the previous year. This expansion outpaced the 12% growth registered by commercial banks, reinforcing the NBFCs' role as



key credit providers. Growth was primarily driven by a sharp rise in retail lending, which constituted 58% of total NBFC credit as of December 2024, and the ongoing surge in digital personal loans, with over 10.9 crore personal loans worth ₹1.06 lakh crore disbursed by FinTech NBFCs during the year.

Despite macroeconomic headwinds, credit disbursements (excluding Infra-NBFCs) remained above pre-pandemic levels through FY 2024–25, underpinned by resilient consumption demand and increased credit penetration in underserved segments. The rise of digital lenders and tech-driven underwriting models further boosted sectoral growth, enabling faster, more inclusive access to credit.

### Asset Quality and Capital Adequacy

While full-year asset quality metrics for FY 2024–25 are yet to be officially published, early estimates and rating agency assessments suggest that asset quality remained largely stable, although delinquencies in unsecured retail segments—particularly microfinance and personal loans—showed signs of stress. Despite this, overall GNPA levels are expected to remain below pre-pandemic averages.

Capital buffers remained strong, supported by improved profitability and regulatory oversight. While updated figures for Capital to Risk (Weighted) Assets Ratio (CRAR) and Net Interest Margin (NIM) are awaited, the sector is expected to have retained its CRAR well above the 15% minimum, continuing the trend from September 2023 when it stood at 27.6%.

### Profitability and Financial Ratios

Although complete profitability metrics for FY 2024–25 have not been released, the previous year (FY 2023–24) witnessed robust earnings performance:

- Return on Assets (ROA) improved to 2.6% in March 2023, up from 1.8% the year prior.
- Return on Equity (ROE) saw a 320 basis point rise, reflecting better leverage and margin expansion.
- Net Interest Margin (NIM) also improved to 4.3% in FY 2024, suggesting improved pricing power and lower funding costs.

Going forward, profitability may moderate slightly as unsecured loan portfolios mature and credit costs inch upward, particularly in riskier retail segments. However, strong capitalisation and diversified lending portfolios should support overall sector stability.

## II. Opportunities and Threats

Analysis of Indian NBFC sector are as follows:

### Opportunity

#### 1. Credit Accessibility Beyond Traditional Banks

Non-Banking Financial Companies (NBFCs) play a crucial role in serving borrowers who may not meet the strict lending criteria of traditional banks. Unlike banks, NBFCs

have more flexible credit assessment methods and lighter documentation requirements. For instance, micro, small, and medium enterprises (MSMEs) can access loans based on pending invoices, helping them manage working capital efficiently.

With banks becoming increasingly cautious in loan disbursement due to rising Non-Performing Assets (NPAs), NBFCs have experienced a surge in loan applications. Many customers, seeking to avoid the complex and time-consuming procedures imposed by banks, are willing to pay higher interest rates to NBFCs in exchange for easier and faster loan processing.

#### 2. Unlocking the Potential of New Credit Customers

A significant opportunity for NBFCs lies in the growing segment of new-to-credit customers—individuals, particularly in rural areas, who have never previously borrowed from any formal financial institution. Limited banking infrastructure and regulatory restrictions often prevent traditional banks from lending to these individuals, especially in the absence of a credit history.

NBFCs, with their flexible credit models and innovative risk assessment techniques, are better positioned to serve this demographic. Their outreach and agility make them vital financial partners in rural credit expansion, turning new credit customers into a high-growth segment.

#### 3. Regulatory Flexibility and Government Support

The Government of India (GOI) has extended various regulatory relaxations to NBFCs, recognizing their importance in enhancing financial inclusion. Compared to traditional banks, NBFCs operate under relatively less stringent regulations, allowing them to adapt quickly to customer needs and market changes.

#### Notably:

NBFCs are permitted 100% foreign direct investment (FDI), making them attractive to global investors.

Under the SARFAESI Act, NBFCs can repossess and sell hypothecated assets in case of default, ensuring better recovery mechanisms.

Government initiatives have also created a supportive ecosystem for NBFC formation and growth, encouraging entrepreneurial interest in the sector.

#### 4. Contribution to Economic Growth

NBFCs are significant contributors to India's economic development. By extending credit to underserved sectors—such as MSMEs, agriculture, housing, and infrastructure—they support capital formation and boost domestic consumption. Their diverse offerings, from personal loans and equipment finance to microfinance and vehicle loans, make them essential to the financial services landscape.

The Government's efforts to safeguard the interests of NBFCs reflect their growing importance. As profit-driven enterprises, NBFCs are not only sustaining their business models but also strengthening India's financial ecosystem by bridging critical credit gaps.

### Threats

While Non-Banking Financial Companies (NBFCs) have emerged as a lucrative and impactful business model in India's financial ecosystem, setting up and operating an NBFC is far from simple. Despite numerous opportunities and policy support, NBFCs face a range of operational, regulatory, and structural challenges that can hinder their growth and stability.

### Key Challenges Faced by NBFCs

#### 1. Refinancing Constraints

Refinancing remains one of the most pressing concerns for NBFCs. Sustainable growth for these institutions depends heavily on the ability to refinance their lending books. However, banks and capital markets—major sources of such refinancing—are often hesitant to provide funds.

Banks fear that these funds may be used to repay existing debts rather than expand lending, especially given the heightened credit risk perceptions around NBFCs. This cautious approach significantly limits the refinancing avenues available to NBFCs.

#### 2. Complex Licensing Process

Obtaining an NBFC license from the Reserve Bank of India (RBI) is a highly regulated and document-intensive process. The required paperwork and compliance standards vary depending on the type of NBFC, and involve strict scrutiny under various regulations.

Some key regulatory requirements include:

- A minimum owned fund of ₹10 crore, which must not be borrowed capital.
- A Board of Directors comprising experienced professionals from a financial background, with a clean legal record.
- Adherence to RBI's fit-and-proper criteria and background checks.

Despite the Government of India's stated support, the licensing process remains complex due to the sensitive role NBFCs play in managing public funds and impacting financial inclusion.

#### 3. Risks with New-to-Credit Customers

While first-time borrowers—especially in rural and semi-urban regions—offer a promising market, they also pose significant credit and operational risks.

NBFCs must invest in financial literacy, risk assessment tools, and manpower to manage and guide these customers, many of whom lack formal credit histories. Serving this segment profitably requires strong customer onboarding mechanisms and risk mitigation strategies.

#### 4. Absence of Statutory Recovery Tools

Unlike banks, NBFCs lack direct access to statutory recovery mechanisms such as Debt Recovery Tribunals (DRTs) or effective enforcement provisions under SARFAESI for all loan categories.

This limitation weakens their ability to recover dues, especially in cases involving unsecured or small-ticket loans, and affects overall financial performance.

#### 5. Leverage Ratio Restrictions

While small NBFCs are exempt from maintaining a formal Capital to Risk (Weighted) Assets Ratio (CRAR), they must still adhere to a leverage cap of 7 times their net owned funds.

This restriction forces many NBFCs to rely on borrowings from banks and financial institutions to meet growing credit demand. However, such borrowings come with stringent due diligence requirements, which can be resource-intensive and time-consuming.

#### 6. Fragmented Representation in the Sector

Currently, the NBFC sector is represented by multiple industry bodies, which leads to fragmentation and lack of unified advocacy.

Given that the NBFC ecosystem includes a diverse range of players—from microfinance institutions and asset finance companies to infrastructure NBFCs—a harmonized approach to regulation and representation is essential.

Establishing a single apex representative body could help ensure all segments are equally heard, promote cohesive policy-making, and support balanced sectoral growth.

### III. Segment-wise or product-wise performance

The detailed information on gold loan segment of the Company is detailed in the Para II (a) of the Directors Report.

### IV. Outlook

Your Company is confident that its existing capacities and investments would serve well to expand its businesses throughout India in coming years.

### V. Risks and concerns

All material risks and mitigation measures are described in para XVI of the Directors Report.

### VI. Internal control systems and their adequacy

Internal control systems and adequacy are detailed in para X (k) of the Directors Report as above.





## VII. Financial performance with respect to operational performance

### a) Operational review

With an established network of 38 branches across key markets in Tamil Nadu and Odisha, the company is pursuing a strategy of steady, sustainable growth. This measured expansion plan prioritizes long-term stability, and the company is now preparing to open additional branches in the coming months to further strengthen its regional presence.

As business operations continue to grow on a daily basis, the company is also taking strategic steps toward greater autonomy. It is actively working to build its own distinct identity, moving beyond its current positioning under the umbrella of its holding company, ICL Fincorp Limited.

The commercial operations during the year under report were progressive. The Company has earned an income of ₹ 39,077.47 thousand as compared to ₹ 41,395.01 thousand during the previous year. The total expenditure of the Company for the year was ₹ 88,589.50 thousand as compared to ₹ 59,104.84 thousand. The Company incurred net loss of ₹ 47,192.77 thousand as against net loss of ₹ 18,225.21 thousand (during the previous financial year. Despite continuing a financial loss this year due to higher operational costs, your Directors believe these expenses were necessary for the company's future growth and expansion. We are committed to making these unavoidable investments now to ensure a more successful and profitable tomorrow.

The Gold Loan Business which is the core portfolio of the Company has seen a nominal growth compared to the previous year as result of new branch additions and increased operational activities.

The operational revenue decreased by 5.60% y.o.y. and the expenses have also increased due to additional Manpower, Finance costs due to debenture allotment and

higher depreciation due to new fixed assets addition. The expenses increased 49.89% y.o.y compared to the previous year.

During this financial year also the Company continued the private placement of Secured Non-Convertible Debentures for fund sourcing.

### Financial review

#### Gross Loans under management

The Company has a gross loan asset under management of ₹ 13.54 crores in financial year 2024-25 compared to ₹ 16.78 crores in the previous year.

#### Gold Loan Assets under management

The Company achieved a gold loan asset under management of ₹ 13.59 crores during the financial year compared to ₹ 8.80 crores in the previous year.

#### Revenue

The total income declined by 5.60% to reach ₹ 3.91 Crores during the financial year compared to ₹ 4.14 crores in the previous year.

#### Profit/Loss after tax ("PAT")

There is a Net Loss of ₹ 4.72 Crores during the year compared to Net Loss after Tax of ₹ 1.82 Crores in the previous year.

#### Earnings per Share ("EPS")

As it is a Net loss there were no EPS during the year.

## VIII. Human Resources

Your Company treats its "Human Resources" as one of its most important assets. Your Company continuously invest in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement. Number of permanent employees as on March 31, 2025 is 145 employees.

## IX. Details of significant changes in key financial ratios

Ratios	As at 31.03.25	As at 31.03.24	% change	Reason for variance
Debtors Turnover	0.26	0.18	0.08	Variation due to decrease in debtors
Inventory Turnover	N.A	N.A.	-	-
Interest Coverage Ratio	-1.27	-0.43	-0.84	Loss during the year 24-25 has resulted in the variance
Current Ratio	6.12	3.50	2.62	Increase in Current Liabilities
Debt Equity Ratio	0.65	0.76	-0.11	Decrease on the Total Debt
Operating Profit Margin (%)		-0.04		Reduced profit (loss) during the year
Net Profit Margin (%)	-1.27	-0.43	0.84	Loss reported during the year
Leverage Ratio		1.06		Increase in financial liabilities
Capital Adequacy Ratio	63.97	49.04	14.93	Increase in Tier I capital
Tier I Capital	17,21,75,992.09	16,36,08,555.53	85,67,436.56	Increase in Tier I capital/Decrease in Loans to Companies in same group

**X. Details of any change in Return on Net Worth**

The net worth of the Company as on March 31, 2025 is ₹ 17.22 Crores when compared to ₹ 22.15 Crores in the previous year and the percentage of change is (22.25)%, the reason for the same being Net loss made during the year & increase in the Liabilities (Trade Payables, Debt Securities, Other Financial Liabilities etc.)

**XI. Cautionary Statement**

This Management Discussion and Analysis Report may contain certain forward-looking statements, which reflect the Company's current views and expectations based on various assumptions regarding its present and future business strategies, operating environment, and other relevant factors. These statements are subject to inherent risks and uncertainties, and actual results may differ materially from those expressed or implied.

Factors that may cause such differences include, but are not limited to, economic and political developments in India and globally, fluctuations in interest rates and capital markets, and the introduction of new regulations or government policies that may affect the Company's operations and strategic plans.

The information presented herein is based on circumstances as of the date of this report. The Company undertakes no obligation to update or revise any forward-looking statements in light of new information, future events, or otherwise.

Market data and industry information included in this report have been obtained from sources the Company believes to be reliable or have been developed internally. However, no assurance is given as to the accuracy or completeness of such data.

By order of Board of Directors,  
For Salem Erode Investments Limited

Sd/-  
**K. G. Anilkumar**  
Managing Director  
(DIN: 00766739)

Sd/-  
**Umadevi Anilkumar**  
Director  
(DIN: 06434467)

Place: Chennai  
Date: 02.09.2025



## Salient features of Nomination and Remuneration Committee Policy of Salem Erode Investments Limited

### 1) Directors, Key Managerial Personnel and Senior Management staff

#### a) Appointment

The Nomination and Remuneration Committee shall recommend appointment of Directors, Key Managerial Personnel and Senior Management Staff of the Company by considering the following:

- i. Ensure the candidate possess adequate qualification, expertise and experience commensurate with the position.
- ii. Priority may be given to persons with professional qualifications and experience.
- iii. Persons with experience in similar line of business and holding positions in other Company's Board may be considered with added advantage.
- iv. Persons with experience and connection with Government Departments, Financial and Risk Management, Media, Public Relations, Marketing, Business Networks, Philanthropy etc shall be considered.
- v. Code of Conduct of Independent Directors and other Statutory compliances with respect to the appointment/remuneration of Independent Directors.
- vi. Code of Conduct of Senior Management with respect to the appointment/remuneration of Directors other than Independent Directors, Key Managerial Persons and other Senior Management.

#### b) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable law, rules and regulations, thereunder, the Nomination and Remuneration Committee may recommend, to the Board with reasons to be recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management, subject to the provisions and compliance of the said Act, such other applicable law, rules and regulations.

#### c) Retirement

The Directors, Key Managerial Personnel and Senior Management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel and Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

#### d) Remuneration

The Committee shall ensure:

- i. Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- ii. The relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- iii. The remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

### 2) Evaluation of performance of Directors, Key Managerial Personnel, Senior Management staff and Committees of Board

- a) Ensure that all Directors have attended and actively participated in meetings.
- b) Ensure that the Directors have contributed own skills, experience and knowledge to support the growth and success of the organisation.
- c) Ensure that the Directors have promoted constructive and respectful relations between the Board and Management.
- d) Ensure that the Directors worked with the Board to adopt an annual work plan that is consistent with the organisation's vision, mission and strategic directions.
- e) Review and monitor the independence and performance, and effectiveness of work process of Directors, Key Managerial Personnel, Senior Management Staff and Committees of Board.

By order of Board of Directors,  
For Salem Erode Investments Limited

Sd/-  
K. G. Anilkumar  
Managing Director  
(DIN: 00766739)

Sd/-  
Umadevi Anilkumar  
Director  
(DIN: 06434467)

Place: Irinjalakuda  
Date: 02.09.2025

**Annexure 3**

## Annual Report on CSR activities of Salem Erode Investments Limited for the financial year 2024-25

### 1. Brief outline on CSR Policy of the Company.

The Corporate Social Responsibility (hereinafter referred to as "CSR") Policy of Salem Erode Investments Limited (hereinafter referred to as "the Company") has been developed in accordance with section 135 of the Companies Act, 2013 (hereinafter referred to as "the Act"), schedule VII of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other applicable rules, regulations and amendments made thereunder. The CSR Policy includes guiding principles for carrying out the CSR activities in accordance with the provisions contained in Act and for ensuring CSR activities are conducted in all respects according to ethical, professional and legal standards and enhancing social value of the Company. The CSR Policy of the Company outlines composition of CSR Committee, role and responsibilities of the CSR Committee, role and responsibilities of CSR Compliance Officer, CSR budget, designing & selection of CSR activities, implementation, evaluation, reporting etc.

### 2. Composition of the CSR Committee.

The CSR Committee of the Company comprises of following persons:

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
01.	Mr. Shinto Stanly	Chairman (Independent Director)	1	1
02.	Ms. Umadevi Anilkumar	Member (Non-Executive Director)	1	1
03.	Mr. Saseendran V.	Member (Independent Director)	1	1
04	Mr. T.G. Babu	Member (Independent Director)	1	0

### 3. Web-link where composition of CSR committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the Company.

<https://www.salemerode.com/downloads/policies/Corporate%20Social%20Responsibility%20Policy.pdf>

### 4. Executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

The Company did not indulge in any CSR activities during the financial year as the Company has incurred loss continuously down the line for last three years.

5. a) Average net profit of the Company as per sub-section (5) of section 135: The Company does not have profit for last three financial years.
- b) Two percent of average net profit of the Company as per sub-section (5) of section 135: Not applicable
- c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- d) Amount required to be set off for the financial year, if any:  
Not applicable
- e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Nil
6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Nil
- b) Amount spent in administrative overheads: Nil
- c) Amount spent on impact assessment, if applicable: Not applicable
- d) Total amount spent for the financial year [(a)+(b)+(c)]: Nil
- e) CSR amount spent or unspent for the financial year: Not applicable



Total amount spent for the financial year. (in ₹)	Total amount transferred to Unspent CSR account as per sub-section (6) of section 135		Amount unspent (in ₹):		
	Amount	Date of transfer	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.	Amount	Date of transfer
-	-	-	-	-	-

f) Excess amount for set-off, if any: Not applicable

Sl. No.	Particular	Amount (in ₹)
1	Two percent of average net profit of the Company as per sub-section (5) of section 135	-
2	Total amount spent for the financial year	-
3	Excess amount spent for the financial year [(ii)-(i)]	-
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

Surplus arising during financial year 2022-23 amounting to ₹ 10,00,000/- can be set off against CSR expenditure upto financial year 2025-26.

## 7.

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

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR account under subsection (6) of section 135 (in ₹)	Balance amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the financial year (in ₹).	Amount transferred to a fund specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹).	Date of transfer		
01.	2024 - 25	-	-	-	-	-	-	-
02.	2023 - 24	-	-	-	-	-	-	-
03.	2022 - 23	-	-	10,00,000	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:  
No

If Yes, enter the number of capital assets created/ acquired:

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

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
-	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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

Not applicable.

By order of Board of Directors,  
For Salem Erode Investments Limited

Sd/-  
K. G. Anilkumar  
Managing Director  
(DIN: 00766739)

Sd/-  
Umadevi Anilkumar  
Director  
(DIN: 06434467)

Sd/-  
Shinto Stanly  
Chairman CSR Committee  
(DIN: 06534505)

Place: Irinjalakuda  
Date: 02.09.2025



**Annexure 4**

## Form AOC 2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

### 1) Details of contracts or arrangements or transactions not at arm's length basis : Nil

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/ transactions	
c)	Duration of the contracts/ arrangements/ transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the Special Resolution was passed in General Meeting as required under first proviso to section 188	

### 2) Details of material contracts or arrangements or transactions at arm's length basis:

i.

a)	Name (s) of the related party & nature of relationship	ICL Fincorp Limited, Promoter & Holding Company
b)	Nature of contracts/ arrangements/ transactions	Term loan agreement
c)	Duration of the contracts/ arrangements/ transactions	The loans are repayable in 60 monthly instalments from the respective date of disbursements
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Term Loan to ICL Fincorp Limited, not exceeding ₹ 10,00,00,000/- (Rupees Ten Crores Only) in various tranches at an interest rate of 12.50% per annum on monthly diminishing balance basis with other charges and repayable in 60 monthly installments in different tranches on need basis and on such terms and conditions as specified in the loan agreement dated 28 <sup>th</sup> day of February, 2022
e)	Date(s) of approval by the Board, if any	14.02.2022
f)	Amount paid as advances, if any	Nil
	Outstanding Term Loan	Nil

ii.

a)	Name (s) of the related party & nature of relationship	ICL Fincorp Limited, Promoter & Holding Company
b)	Nature of contracts/ arrangements/ transactions	Inter Corporate Loan Agreement
c)	Duration of the contracts/ arrangements/ transactions	Against the demand letter by the lender but within a tenure of 5 (five) years.
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Inter Corporate Loan to ICL Fincorp Limited, not exceeding ₹ 20,65,00,000/- (Rupees Twenty Crores and Sixty-Five Lakhs Only) as per the demand letter by the lender or within a tenure period of 5 (five) years at an interest rate of 10.5% p.a. and on such terms and conditions as specified in the loan agreement dated 18 <sup>th</sup> day of February, 2020 and further revised on 28 <sup>th</sup> day of August, 2021
e)	Date(s) of approval by the Board, if any	13.08.2021
f)	Amount paid as advances, if any	Nil
	Outstanding Term Loan	Nil

By order of Board of Directors,  
For Salem ERODE Investments Limited

Sd/-  
K. G. Anilkumar  
Managing Director  
(DIN: 00766739)

Sd/-  
Umadevi Anilkumar  
Director  
(DIN: 06434467)

Place: Irinjalakuda  
Date: 02.09.2025



## Annexure 5

**Conservation of energy, technology, absorption and foreign exchange:**

The particulars as prescribed under sub-section (3) (m) Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 as amended up to date, are set out hereunder:

**(A) Conservation of energy****(i) Steps taken or impact on conservation of energy;**

While the Company's operations are not energy-intensive, it remains committed to implementing energy conservation measures across its administrative and support functions. In alignment with global green ecology initiatives, the Company has taken steps to reduce energy consumption by deploying energy-efficient computers and equipment, thereby contributing to environmental sustainability.

**(ii) Steps taken by the company for utilising alternate sources of energy;**

Nil

**(iii) Capital investment on energy conservation equipment's.**

Nil

**(B) Technology absorption-****(i) The efforts made towards technology absorption;**

Company being a NBFC, has no activities involving adoption of any specific technology. However, your Company is trying its best in implementing latest information technology and tools towards enhancing our customer convenience. The Company has started initiating various digital transformations during the year providing a great customer experience, improved business efficiencies, ease of operations and effective risk management. The Company believes in extending the digital interface to

customers through various channels for better reach and convenience. The Company is trying to take initiative towards an end-to-end online loan application and fulfilment platform, doing away with the traditional pen and paper process which also involves physical transfer of loan application files.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution;**

Nil

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-**

(a) the details of technology imported;

(b) the year of import;

(c) whether the technology been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(e) the expenditure incurred on Research and Development-

Not Applicable

**(C) Foreign exchange earnings and Outgo**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Nil

By order of Board of Directors,  
For Salem Erode Investments Limited

Sd/-  
K. G. Anilkumar  
Managing Director  
(DIN: 00766739)

Sd/-  
Umadevi Anilkumar  
Director  
(DIN: 06434467)

Place: Irinjalakuda  
Date: 02.09.2025

## Annexure 6

# Secretarial Audit Report

(For the financial year ended March 31, 2025)

[Pursuant to section 204(1) of the Companies Act, 2013 & rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Salem ERODE Investments Limited  
CIN: L31200TN1931PLC145816,  
Door No. 61/A8 (38/A8), VJP Parijatham Apartments,

1st Avenue, Ashok Nagar, Chennai, Tamil Nadu – 600083

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Salem ERODE Investments Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and rules made there under;
- iii. The Depositories Act, 1996 and regulations and bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings - (Not applicable for the year under review);
- v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – (Not applicable for the year under review);
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – (Not applicable as the Company has not issued any listed debt securities during the year under review);
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client – (Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review);
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – (Not applicable as the Company has not delisted/ proposed to delist its equity shares during the year under review);
- h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 – (Not applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review);
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
- j) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018 ("Depository Regulations")

I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following law applicable specifically to the Company:

- a) The Reserve Bank of India Act, 1934.
- b) Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.
- c) Other relevant regulations, directions, guidelines and circulars issued by the Reserve Bank of India from time to time.



I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by the Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

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

I further report that:

- a) the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- b) 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 or with due consent for shorter notice from the Directors 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.

- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.

I further report that 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.

I further report that during the audit period, following specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. has taken place.

- The Company had raised a sum of ₹ 1,01,50,000/- by way of issue of Unlisted Redeemable Secured Non-Convertible Debentures on a private placement basis during the financial year.

This report is to be read with our letter of even date which is annexed as annexure and forms integral part of this report.

**CS. Yacob Pothumuriyil Ouseph**

Practising Company Secretary  
02nd Floor, Kalarikkal Building,  
Karingachira, Tripunithura,  
Kochi, Ernakulam, Kerala – 682301  
M. No. 50329 & COP No. 18503  
UDIN: A050329G000411250

Place: Kochi

Date: 22.05.2025

## Annexure to the Secretarial Audit Report of Salem ERODE Investments Limited for financial year ended March 31, 2025

To,  
The Members,  
Salem ERODE Investments Limited  
CIN: L31200TN1931PLC145816,  
Door No. 61/A8 (38/A8), VJP Parijatham Apartments,  
1st Avenue, Ashok Nagar, Chennai, Tamil Nadu – 600083

### Auditor's Responsibility

1. The maintenance and compliance of the provisions of corporate and other applicable laws, rules, regulations, secretarial standards etc. is the responsibility of the management of the Company. My responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records based on audit.
2. The audit was conducted in accordance with the guidelines and auditing standards issued by the Institute of Company Secretaries of India and with the provisions laid down under the Act. Those Standards require that I comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
3. 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 standards.
4. I have followed the audit practices and process 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. I believe that the process and practices followed provide a reasonable basis for my opinion.
5. I have relied upon the registers, records and documents maintained by the Company, both in physical and electronic form.
6. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
8. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. My examination was limited to the verification of procedure on test basis.
9. 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.

Place: Kochi  
Date: 22.05.2025

**CS. Yacob Pothumuriyil Ouseph**  
Practising Company Secretary  
02nd Floor, Kalarikkal Building,  
Karingachira, Tripunithura,  
Kochi, Ernakulam, Kerala – 682301  
M. No. 50329 & COP No. 18503  
UDIN: A050329G000411250





## Annexure 7

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**

- a) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year 2024-25

Sl. No.	Name of Director & KMP	Designation	Ratio of remuneration to median remuneration of employees of the Company	% increase in the remuneration
01.	K.G. Anilkumar	Managing Director	NA	Not Comparable*
02.	Umadevi Anilkumar	Non-Executive Director	NA	Not Comparable*
03.	T.G. Babu	Independent Director	NA	Not Comparable*
04.	Saseendran V.	Independent Director	NA	Not Comparable*
05.	A. A. Balan	Independent Director	NA	Not Comparable*
06.	Shinto Stanly	Independent Director	NA	Not Comparable*
07.	Madhavankutty T.	Chief Financial Officer	9.07	50%
08.	Manisha N Menon	Company Secretary	6.29	NA
09.	Visakh TV	Company Secretary	1.70	NA

\*The Company paid sitting fees to the Directors for attending Board Meetings only. No Commission, additional sitting fees for attending Committee Meetings, or managerial remuneration was paid to them in the previous financial year. Hence, comparison of percentage increase in remuneration is not applicable.

- b) The percentage increase in the median remuneration of employees in the financial year 2024-25 - (-0.18%).
- c) The number of permanent employees on the rolls of Company as on March 31, 2025 - 145.
- d) 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 of employees increased by - (-9.07%). As there was no managerial remuneration, justification with respect to increase in managerial remuneration is not applicable.
- e) It is hereby affirmed that the remuneration paid to Directors, Key Managerial Persons and other employees as per the remuneration policy of the Company.

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Details of Top Ten Employees in terms of remuneration drawn as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name, Designation, Age & Nature of employment	Remuneration received during 2024-25 (In Rs.)	Qualification & Experience	Date of commencement of employment & Last employment held	Percentage of equity shares held
01.	Mr. Raju E R, Assistant General Manager, 57 Years, Permanent Employee	11,00,003	M. Phil 33 Years	17-08-2017 Kerala University of Fisheries & Ocean Studies.	Nil
02.	Mr. Madhavankutty Thekkedath, Chief Financial Officer, 52 Years, Permanent Employee	8,24,999	Chartered Accountant 19 Years	24-12-2021 Al Sahari Oil Services Co. SAOC	Nil
03.	Ms. Manisha N. Menon, Company Secretary, 41 Years, Permanent Employment	6,30,000	B.Com, LLB, ACS 7 Years	11-06-2020 Horizon Promoters Ltd.	Nil

Sl. No.	Name, Designation, Age & Nature of employment	Remuneration received during 2024-25 (In Rs.)	Qualification & Experience	Date of commencement of employment & Last employment held	Percentage of equity shares held
04.	Mr. Lijesh K, Assistant Company Secretary, 34 Years, Permanent Employee	5,74,001	M.com, ACS, 9 Years	02-09-2024 Melker Finance & Leasing Pvt Ltd	Nil
05.	Mr. Savio V Simon, Assistant Company Secretary, 33 Years, Permanent Employee	5,25,001	ACS, 5 Years	03-09-2024 Muthoot Nidhi Ltd.	Nil
06.	Mr. Pramod Kumar Ojha, Cluster Manager, 44 Years, Permanent Employee	4,40,000	MBA 18 Years	05-07-2023 Muthoot Fincorp Ltd.	Nil
07.	Mr. Shanmuga Subramanian B, Manager (Business Debenture), 61 Years, Permanent Employment	4,02,500	B.Sc. MATHS, CAIID, 23 Years	12-01-2022 Muthoot Mini	Nil
08.	Ms. P Ambika, Senior Branch Manager, 39 Years, Permanent Employee	4,00,890	BBA, 12 Years	01-12-2023 Muthoot Fincorp	Nil
09.	Mr. Karthikeyan B, Branch Manager, 48 Years, Permanent Employee	3,60,000	B.COM, 15 Years	04-01-2024 Neomax	Nil
10.	Ms. A Manjula, Branch Head, 53 Years, Permanent Employee	3,59,390	M.COM, 20 Years	10-05-2022 Bell Star Micro Finance Pvt Ltd.	Nil

1. Name of every employee, who employed throughout the year, was in receipt of remuneration not less than one crore and two lakh rupees in aggregate – Not applicable
2. Name of every employee, who employed for a part of the year, was in receipt of remuneration not less than eight lakhs and fifty thousand rupees per month in aggregate - Not applicable
3. Name of every employee who employed throughout the financial year or part thereof, was in receipt of remuneration which is in excess of that drawn by the Managing Director or Whole-time Director or Manager and who holds by himself or along with his spouse and dependent children, not less than two percent of the Equity Shares of the Company - Not applicable
4. Percentage of Equity Shares held by the employee along with his spouse and dependent children, if such shareholding is not less than two percent of the total Equity Shares - Not applicable
5. Whether any such employee is a relative of any Director or Manager of the Company and if so, the name of such Director or Manager - Not applicable
6. Particulars of employees posted and working in a country outside India, not being Directors or their relatives, drawing more than sixty lakh rupees per year or five lakh rupees per month - Not applicable

By order of Board of Directors,  
For Salem ERODE Investments Limited

Sd/-  
**K. G. Anilkumar**  
Managing Director  
(DIN: 00766739)

Sd/-  
**Umadevi Anilkumar**  
Director  
(DIN: 06434467)

Place: Irinjalakuda

Date: 02.09.2025



# Independent Auditor's Report

To the members of  
Salem Erode Investments Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone financial statements of **M/s. Salem Erode Investments Limited** ("the Company") which comprises the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the period then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, its loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act 2013 and the Rules 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SI No.	Key Audit Matters	Auditor's Response
1.	Provision for Expected Credit Losses (ECL)	<p>We examined Board Policy approving 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.</p> <p>We evaluated the design and operating effectiveness of controls across the processes relevant to ECL.</p> <p>We also tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage.</p>
2.	Due to the pervasive nature and complexity of the IT environment, we have ascertained IT systems and controls as a key audit matter.	<p>We performed the following audit procedures:</p> <ol style="list-style-type: none"> <li>1. Tested the Company's periodic review of access rights.</li> <li>2. Considered the control environment relate to various interfaces, configuration and other application layer controls identified as key to our audit.</li> </ol>

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

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

- Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance.
- In connection with our audit of the Standalone financial statements, our responsibility is to read the other information made available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

## Management's responsibility for the Standalone Financial Statements.

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013("The Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standard (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, 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, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibility for the audit of the Standalone Financial Statements.

Our responsibilities are to design suitable audit procedure to obtain reasonable assurance about whether the Ind AS 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. Misstatement can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably



knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and 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.

### Other Matter

The management of the company identified fraud involving an amount of ₹1,83,000/-and the company has created provision for the same in the books of accounts. Since it is already identified and reported by the management we have not filed form ADT - 4 in this regard.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020("the Order") issued by the Central Government of India in terms of Section 143(11) of the Companies Act 2013, we give in "Annexure 1" to this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2025 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 Report in "Annexure 2".
- 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer note 31).
  - ii. The Company does not have any long-term contracts including derivative contracts for which there were any foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in



- any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of Section 123 of the Companies Act, 2013.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the software. Further, during the course of audit we did not come across any instance of audit trail feature being tampered with.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no managerial remuneration has been paid or provided during the financial year.

For **Mohandas & Associates**

Chartered Accountants

ICAI Firm Registration No : 0021165

**Sd/-**

**Mohandas Anchery**

[Partner]

Membership No.036726

UDIN: 25036726BMHULL7721

Place: Thrissur

Date: 15/05/2025



## ANNEXURE 1

### TO THE AUDITOR'S REPORT

The Annexure 1 referred to in our Report to the members of SALEM ERODE INVESTMENTS LIMITED (the Company) for the year ended on 31st March, 2025.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i) a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
  - (B) The Company has maintained proper records showing full particulars of intangible assets;
  - b) All the Property, Plant and Equipment have not been physically verified by the management during the period but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification;
  - c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements 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) There have been no proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
  - d) Total amount overdue for more than ninety days is amounting to ₹ 60,57,126.68 /- and reasonable steps have been taken by the company for recovery of the principal and interest;
- ii) a) The Company is a Non-Banking Financial Company engaged in the business of making investments and providing loans and does not hold any type of physical inventories. Therefore, the provisions of paragraph 3(ii)(a) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;
  - b) During any point of time of the year, the company has not been sanctioned working capital limits from banks or financial institutions on the basis of security of current assets; therefore, the provisions of paragraph 3(ii)(b) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;
  - iii) During the year the Company has granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
    - a) The Company is a Non- Banking Financial Company engaged in the principal business of providing loans. Therefore, the provisions of paragraph 3(iii)(a) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;
    - b) The terms and conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the company's interest;
    - c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the company has provided impairment allowance for expected credit losses on loans and advances where repayments or receipts are irregular. In addition to that the company has created impairment reserve as per Prudential Norms of RBI;

Type of Loan	No of Loans	Principal Overdue	Interest Overdue	Total Overdue	Remarks
Gold Loan	80	39,87,003.08	20,70,123.60	60,57,126.68	Since it's a NBFC their principal business is to give loans. The loans for which overdue for more than 90 days are treated as irregular and these cases are classified as NPA as per RBI IRACP norms. The income recognition of the above has been done as per RBI IRACP norms.

- e) The Company is a Non- Banking Financial Company engaged in the principal business of providing loans. Therefore, the provisions of paragraph 3(iii) (e) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;
- f) The company has granted loans which are repayable on demand to Promoters as defined in clause (76) of section 2 of the Companies Act, 2013, which is provided below;

Name of Borrower	ICL Fincorp Ltd
Nature of Loan	Inter-Corporate Deposit
Relationship	Parent Company
Date of Loan granted	18/02/2020
Loan Amount granted	₹20,65,00,000/-
Tenure	5 years, Repayment to be made on issue of demand letter by the lender
Percentage to total loans granted	44.18%
Loan Outstanding	₹0.00/-
Percentage to total loans outstanding	0.00%

- iv) The Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and securities made;
- v) The Company has not accepted any Deposits from the public. Therefore the Directives issued by the Reserve Bank Of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under are not applicable to the Company. The Company has not received any order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard;
- vi) Being a Non-Banking Finance Company, maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013;
- vii) a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities wherever applicable to it. There are no arrears of statutory dues as at the last day of the financial year concerned for a period of more than six months from the date on which they became payable;
- b) There are no statutory dues of Income Tax, Sales tax, Service tax, Goods and Service Tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute;
- viii) There are no transactions which were not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
- ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (b) The Company isn't a declared willful defaulter by any bank or financial institution or other lender;
- (c) The Company has not availed any term loan during the year;
- (d) The company has not utilized the funds raised on short term basis for long term purposes;
- (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;
- (f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year;
- b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year;
- xi) (a) During the period the Company has reported a fraud case, where gold loan related misappropriations have occurred for amounts aggregating ₹1,83,000 and the Company has created provision for the same in the books of accounts.
- (b) There is no report under sub-section (12) of section 143 of the Companies Act that is required to be filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) The company has not received any whistle-blower complaints during the year;
- xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;



- xiii) All transactions with the related parties are in compliance with the sections 177 and 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the Standalone financial statements of the Company as required by the applicable Ind AS;
- xiv) a) The company has an internal audit system commensurate with the size and nature of its business;
- b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor;
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with them;
- xvi) (a) The Company has obtained the required registration under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934);
- (b) The Company has conducted Non-Banking Financial activities with a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence paragraph 3(xvi)(c) & (d) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;
- xvii) The company has incurred cash losses of ₹3,15,71,534.09 /- during the financial year and ₹79,03,592 in the immediately preceding financial year;
- xviii) There has been resignation of the statutory auditors during the year. There were no issues, objections or concerns raised by the outgoing auditors;
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due, with in a period of one year from the balance sheet date;
- xx) a) The company has no unspent amount to be transferred to the Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to Section 135(5) of said Act;
- b) The company has no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013, pursuant to any ongoing project to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;
- xxi) Since the CARO Report of component company (ICL Fincorp Limited) has not been issued till the date of this audit report, we are not in a position to comment on Paragraph 3 (xxi) of the Companies (Auditor's Report) Order, 2020.

For **Mohandas & Associates**

Chartered Accountants

ICAI Firm Registration No : 0021165

**Sd/-**

**Mohandas Anchery**

[Partner]

Membership No.036726

UDIN: 25036726BMHULL7721

Place: Thrissur

Date: 15/05/2025

## ANNEXURE 2

Annexure 2 to the Independent Auditor's Report of Salem Erode Investments Limited for the period ended 31st March, 2025

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

We have audited the internal financial controls over financial reporting of Salem Erode Investments Limited ('the Company') as of 31st March, 2025 in conjunction with our audit of the Ind AS Standalone financial statements of the Company for the period ended on that date.

### Managements' Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note on audit of internal financial controls over financial reporting (the 'Guidance Note') and the Standards on Auditing (the 'Standards') 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

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

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st 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 issued by the ICAI.

For **Mohandas & Associates**

Chartered Accountants

ICAI Firm Registration No : 0021165

Sd/-

**Mohandas Anchery**

[Partner]

Membership No.036726

UDIN: 25036726BMHULL7721

Place: Thrissur

Date: 15/05/2025





To

The Board of Directors of

**SALEM ERODE INVESTMENTS LIMITED**

1. We have audited the attached Balance Sheet of SALEM ERODE INVESTMENTS LIMITED as at 31st March, 2025 and also the Statement of profit and loss and the cash flow statement for the year ended on that date annexed thereto and issued our audit opinion dated 15th May, 2025 thereon. These financial statements are the responsibility of the Company's management. Our responsibility was to express an opinion on these financial statement based on our audit. Our audit was conducted in the manner specified in the audit report.
2. As required by the Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India (the Bank) and amended from time to time (the Directions), based on our audit referred to in paragraph 1 above and based on the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report hereunder on the matters specified in paragraph 3 and 4 of the Directions.
  - a) The Company is engaged in the business of Non Banking Financial Institution (NBFI) as defined in section 45-l(a) of the Reserve Bank of India Act, 1934 (the Act) during the year ended 31st March, 2024. With effect from 27th March, 1998, the Company is registered with the Bank as an NBFI without accepting public deposits vide Certificate of Registration ('CoR') number 05.01295 dated 27th March, 1998 with the Bank.
  - b) Based on the asset/income pattern as on 31st March, 2025 determined by the Management in accordance with the audited financial statements for the year ended as on that date, and with reference to Non Banking Financial Company- Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, the Company is entitled to continue to hold such CoR;
  - c) The Company has met the required net owned fund requirement as laid down in Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
  - d) The Board of Directors has passed a resolution on 28th April, 2023 for non acceptance of any public deposits.
  - e) The Company has not accepted any public deposits during the year and also does not hold any public deposit as on 31st March, 2025.
  - f) The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad & doubtful debts as applicable to it in terms of Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 during the year ended 31st March, 2025.
3. We have no responsibility to update this report for events and circumstances occurring after the date of our audit opinion mentioned in paragraph 1.
4. This report is issued solely for reporting on the matters specified in paragraph 3 and 4 of the Directions, to the Board of Directors and is not to be used or distributed for any other purpose.

For **Mohandas & Associates**

Chartered Accountants

ICAI Firm Registration No : 0021165

**Sd/-**

**Mohandas Anchery**

[Partner]

Membership No.036726

UDIN: 25036726BMHULL7721

Place: Thrissur

Date: 15/05/2025

## Balance Sheet as at 31st March, 2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

	Notes	31-Mar-25	31-Mar-24
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and Cash Equivalents	7	55,580.46	144,214.05
Bank Balances other than above	8	20,000.00	-
Loans	9	135,384.50	167,778.44
Investments	10	9,472.84	9,319.81
Other Financial Assets	11	7,241.51	6,586.71
		<b>227,679.30</b>	<b>327,899.00</b>
<b>Non-Financial Assets</b>			
Deferred Tax Assets (Net)	13	19,039.48	16,755.69
Property, Plant and Equipment	14A	83,982.34	86,010.62
Right-of-Use Asset	14B	12,539.69	18,530.84
Other Intangible Assets	15	538.98	687.27
Other Non-Financial Assets	12	20,573.18	25,384.23
		<b>136,673.68</b>	<b>147,368.65</b>
<b>TOTAL</b>		<b>364,352.98</b>	<b>475,267.65</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Financial Liabilities</b>			
Trade Payables	19		
(A) total outstanding dues of micro enterprises and small enterprises; and		252.30	2,084.08
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.			
		1,083.73	9,300.97
Debt Securities	20	125,750.00	182,415.00
Lease Liability	14B	13,122.02	17,793.82
Other Financial Liabilities	17	14,898.87	9,643.58
		<b>155,106.92</b>	<b>221,237.44</b>
<b>Non-Financial Liabilities</b>			
Provisions	16	14,803.45	12,734.00
Other Non-Financial Liabilities	18	680.71	494.20
		<b>15,484.16</b>	<b>13,228.21</b>
<b>Equity</b>			
Equity Share Capital	21	11,465.60	11,465.60
Other Equity	22	182,296.30	229,336.41
		<b>193,761.90</b>	<b>240,802.00</b>
<b>TOTAL</b>		<b>364,352.98</b>	<b>475,267.65</b>

Summary of significant accounting policies

Accompanying Notes are an integral part of the Financial Statements.

As per our report of even date

**For Mohandas and Associates**

Chartered Accountants

ICAI Firm Reg No.: 002116S

**Mohandas Anchery**

[Partner]

Membership no.: 036726

Place: Thrissur

Date: 15-05-2025

For and on behalf of the board of directors of

**Salem Erode Investments Limited**

**K G Anilkumar**

[Managing Director]

(DIN: 00766739)

**Madhavankutty Thekkedath**

[Chief Financial Officer]

Place: Irinjalakuda

Date: 15-05-2025

**Umadevi Anilkumar**

[Director]

(DIN: 06434467)

**Visakh T V**

[Company Secretary]



## Statement of profit and loss as at 31st March, 2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Particulars	Notes	31-Mar-25	31-Mar-24
<b>(I) Income</b>			
Revenue from Operations			
(i) Interest Income	23	36,735.79	38,202.04
(ii) Dividend Income		814.48	403.57
(iii) Fees and Commission Income		825.16	341.62
Net gain on fair value changes	24	153.02	1,974.72
Other Income	25	549.02	473.06
<b>Total Revenue(I)</b>		<b>39,077.47</b>	<b>41,395.01</b>
<b>(II) Expenses</b>			
Finance Costs	26	23,578.76	16,017.99
Impairment on Financial Instruments (Net)	28	327.61	131.78
Employee Benefits Expenses	27	32,804.17	20,049.31
Depreciation, Amortisation and Impairment Expense	29	15,796.70	8,652.37
Administrative and Other Expenses	30	16,082.25	14,253.38
<b>Total Expenses (II)</b>		<b>88,589.50</b>	<b>59,104.84</b>
<b>(III) Profit/(loss) before Exceptional Items &amp; Tax (I-II)</b>		<b>(49,512.03)</b>	<b>(17,709.83)</b>
<b>(IV) Exceptional items</b>		-	-
<b>(V) Profit/(loss) before tax (III-IV)</b>		<b>(49,512.03)</b>	<b>(17,709.83)</b>
<b>(VI) Tax Expense:</b>			
(a) Current Tax	33	-	-
(b) (Excess)/Short provision of Previous Years		-	53.14
(c) Deferred Tax (Income)/Expense	13	(2,319.26)	462.24
<b>Total tax expense (VI)</b>		<b>(2,319.26)</b>	<b>515.38</b>
<b>(VII) Profit/(loss) for the year (V) - (VI)</b>		<b>(47,192.77)</b>	<b>(18,225.21)</b>
<b>(VIII) Other Comprehensive Income/(Expense)</b>			
(i) Items that will not be reclassified to Profit or Loss			
(a) Remeasurement Gains/ (Losses) on Defined Benefit Plan		188.14	51.72
(b) Gains/ (Losses) on Equity Instruments through Other Comprehensive Income		-	-
(ii) Tax related to above		(35.47)	(7.11)
<b>Total Other Comprehensive Income/(Expense) (X)</b>		<b>152.67</b>	<b>44.61</b>
<b>(IX) Total Comprehensive Income/(Expense) for the period (IX+X)</b>		<b>(47,040.10)</b>	<b>(18,180.60)</b>
(Comprising profit and other comprehensive income for the year)			
<b>Earnings per Equity share</b>			
[nominal value of share ₹1]			
<b>(Basic) ₹</b>	31	<b>(4.12)</b>	<b>(1.59)</b>
<b>(Diluted) ₹</b>		<b>(4.12)</b>	<b>(1.59)</b>

Summary of significant accounting policies

Accompanying Notes are an integral part of the Financial Statements.

As per our report of even date

**For Mohandas and Associates**

Chartered Accountants

ICAI Firm Reg No.: 002116S

**Mohandas Anchery**

[Partner]

Membership no.: 036726

Place: Thrissur

Date: 15-05-2025

For and on behalf of the board of directors of

**Salem Erode Investments Limited**

**K G Anilkumar**

[Managing Director]

(DIN: 00766739)

**Madhavankutty Thekkedath**

[Chief Financial Officer]

Place: Irinjalakuda

Date: 15-05-2025

**Umadevi Anilkumar**

[Director]

(DIN: 06434467)

**Visakh TV**

[Company Secretary]

## Statement of Cash Flows as at 31st March, 2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Particulars	31-Mar-25	31-Mar-24
<b>Net Profit/(Loss) Before Tax</b>	<b>(49,512.03)</b>	<b>(17,709.83)</b>
Adjustments for :		
Net unrealised fair value (gain) / loss	(153.02)	(1,974.72)
Finance cost	23,578.76	16,017.99
Provision for Gratuity	425.59	278.98
Provision for loss on account of fraud	183.00	1,400.00
Dividend Income	(814.48)	(403.57)
Lease payments	7,168.65	6,074.65
Depreciation, Amortisation and Impairment Expense	15,796.70	8,652.37
<b>Operating profit before working capital changes</b>	<b>(3,326.83)</b>	<b>12,335.88</b>
<b>Changes in Working Capital</b>		
Decrease / (increase) in non-financial asset	4,811.06	5,059.27
(Increase) / Decrease in Trade Receivables and Others assets	(654.80)	(1,800.21)
Decrease / (increase) in investments	-	-
(Increase) / Decrease in Loans Assets	32,393.94	117,548.89
Increase / (Decrease) in Lease Liability	(4,671.80)	8,638.18
Increase / (Decrease) in Trade Payables and Others Liabilities	(4,607.22)	13,355.79
<b>Cash Generated / (used) in operations</b>	<b>23,944.34</b>	<b>155,137.80</b>
Net Income Taxes Paid	1,648.99	(394.04)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>25,593.33</b>	<b>154,743.76</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment, and Intangible Assets	(6,966.18)	(84,191.05)
Dividend Income	814.48	403.57
Bank balance not considered as cash and cash equivalents	(20,000.00)	-
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(26,151.70)</b>	<b>(83,787.48)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from Debt Securities(Net)	(56,665.00)	74,900.00
Finance cost	(23,578.76)	(16,017.99)
Lease payments	(7,168.65)	(6,074.65)
Right to Use Asset (Net)	(662.81)	(14,282.61)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>(88,075.22)</b>	<b>38,524.75</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(88,633.59)</b>	<b>109,481.03</b>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>144,214.05</b>	<b>34,733.02</b>
<b>Cash and Cash Equivalents at the end of the year (refer Note No. 7)</b>	<b>55,580.46</b>	<b>144,214.05</b>
<b>Components of cash and cash equivalents:</b>		
<b>Cash and cash equivalents at the end of the year</b>		
(a) Cash on hand	3,434.33	6,745.21
(b) Balances with Banks - in Current Account	52,146.13	137,468.84
(c) Fixed Deposits with original maturity period less than three months	-	-
<b>Total cash and cash equivalents</b>	<b>55,580.46</b>	<b>144,214.05</b>

As per our report of even date

**For Mohandas and Associates**

Chartered Accountants

ICAI Firm Reg No.: 002116S

**Mohandas Anchery**

[Partner]

Membership no.: 036726

Place: Thrissur

Date: 15-05-2025

For and on behalf of the board of directors of

**Salem Erode Investments Limited**

**K G Anilkumar**

[Managing Director]

(DIN: 00766739)

**Madhavankutty Thekkedath**

[Chief Financial Officer]

Place: Irinjalakuda

Date: 15-05-2025

**Umadevi Anilkumar**

[Director]

(DIN: 06434467)

**Visakh T V**

[Company Secretary]



# Statement of changes in equity as at 31st March, 2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

## A Equity Share Capital

	As at 31-March-2025		As at 31-March-2024	
	Number	Amount	Number	Amount
Balance at the beginning of the period	11,465,595	11,465.60	11,465,595	11,465.60
Changes in Equity share capital during the year due to prior period errors	-	-	-	-
Restated balance at the beginning of the period	11,465,595	11,465.60	11,465,595	11,465.60
Changes in Equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	11,465,595	11,465.60	11,465,595	11,465.60

## B Other Equity

	Reserves and Surplus					Items of other comprehensive Income	Total
	Statutory Reserve (pursuant to Section 451C of the Reserve Bank of India Act, 1934 )	Capital Reserve	Impairment Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	
Balance as at the 1 <sup>st</sup> April, 2023	49,807.88	2,319.78	1,454.32	7,569.11	186,335.07	30.84	247,517.00
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the 1 <sup>st</sup> April, 2023	49,807.88	2,319.78	1,454.32	7,569.11	186,335.07	30.84	247,517.00
Profit for the year	-	-	-	-	(18,225.21)	-	(18,225.21)
Other Comprehensive Income (net of tax)	-	-	-	-	-	44.61	44.61
Dividend and Corporate Dividend Tax	-	-	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-	-	-
MAT Credit for earlier years	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2024	49,807.88	2,319.78	1,454.32	7,569.11	168,109.86	75.44	229,336.40
Balance as at the 1 <sup>st</sup> April, 2024	49,807.88	2,319.78	1,454.32	7,569.11	168,109.86	75.44	229,336.40
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the 1 <sup>st</sup> April, 2024	49,807.88	2,319.78	1,454.32	7,569.11	168,109.86	75.45	229,336.41
Profit for the year	-	-	-	-	(47,192.76)	-	(47,192.76)
Other Comprehensive Income (net of tax)	-	-	-	-	-	152.67	152.67
Dividend and Corporate Dividend Tax	-	-	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-	-	-
MAT Credit for earlier years	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2025	49,807.88	2,319.78	1,454.32	7,569.11	120,917.10	228.11	182,296.31

As per our report of even date

**For Mohandas and Associates**

Chartered Accountants

ICAI Firm Reg No.: 0021165

**Mohandas Anchery**

[Partner]

Membership no.: 036726

Place: Thrissur

Date: 15-05-2025

For and on behalf of the board of directors of

**Salem Erode Investments Limited**

**K G Anilkumar**

[Managing Director]

(DIN: 00766739)

**Madhavankutty Thekkedath**

[Chief Financial Officer]

Place: Irinjalakuda

Date: 15-05-2025

**Umadevi Anilkumar**

[Director]

(DIN: 06434467)

**Visakh T V**

[Company Secretary]



# Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

## 1 BACKGROUND INFORMATION

Salem Erode Investments Limited (CIN:- L31200TN1931PLC145816) having its registered office at Door No.61/A8 (38/A8), VJP Parijatham Apartments, 1st Avenue, Ashok Nagar, Chennai, Tamil Nadu, India, 600083 referred to as ("The Company" or "SEIL") is a non-banking financial company (NBFC) registered with the Reserve Bank of India.

The company's activities primarily comprise of to carry on and undertake the business of finance, whether by making loans or advances or otherwise, gold loan, hire purchase, leasing and to finance lease operations of all kinds, purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the company may think fit. The Company also lends money with or without security. The equity shares of company are listed on the Bombay Stock Exchange.

## 2 BASIS OF PREPARATION 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). 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 and on accrual basis except for certain financial instruments measured at fair value at the end of each reporting period as explained in accounting policies below.

The above financial statements have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India mainly considering the Master Directions issued by the Reserve Bank of India ('RBI') as applicable to Non-Banking Finance Companies – ND.

All amounts included in the financial statements are reported in thousands of Indian rupees (Rupees in Thousands) except share and per share data unless otherwise stated. Due to rounding off, the numbers presented throughout the document may be added up precisely to the totals and percentages may not precisely reflect the absolute figures.

## 3 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).

Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- (i) The normal course of business
- (ii) The event of default
- (iii) The event of insolvency or bankruptcy of the Company and/or its counterparties.

## 4 STATEMENT OF COMPLIANCE

These separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the generally accepted accounting principles as referred to in paragraph 2 "Basis of Preparation" above.

## 5 SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting Policies adopted in the Preparation and Presentation of Financial Statements are as under:-

### A. FINANCIAL INSTRUMENTS

#### (I) Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

- i) Financial assets to be measured at amortised cost.
- ii) Financial assets to be measured at fair value through other comprehensive income.
- iii) Financial assets to be measured at fair value through profit or loss account.

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets. The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:

- Reports reviewed by the entity's key management personnel on the performance of the financial assets.
- The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof.



# Notes to the Financial Statements

for the year ended 31-March-2025

*(All amounts are in Thousands of Indian Rupees unless otherwise stated)*

- The compensation of the managing teams ( for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of trades. The business model assesment is based on reasonably expected scenarios without taking ' worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding. 'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

## (II) Initial Recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

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

Financial assets and financial liabilities, with the exception of loans, debt securities and deposits are recognised on the trade date i.e. when a Company becomes a party to the contractual provisions of the instruments. Loans, debt securities and deposits are recognised when the funds are transferred to the customers account. Trade receivables are measured at the transaction price.

## (III) Subsequent Measurement

### Financial assets at amortised cost

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently these are measured at amortised cost using effective interest method less any impairment losses.

### Debt Instruments at FVOCI

Debt instruments that are measured at FVOCI have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on principal outstanding and that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. These instruments largely comprise long-term investments made by the Company. FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

### Equity Instruments at FVOCI

These include financial assets that are equity instruments as defined in Ind AS 32 "Financial Instruments: Presentation" and are not held for trading and where the Company's management has elected to irrevocably designate the same as Equity instruments at FVOCI upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.

Gains and losses on these equity instruments are never recycled to profit or loss.

Dividends from these equity investments are recognised in the statement of profit and loss when the right to receive the payment has been established.

# Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

## Fair value through Profit and loss account

Financial assets are measured at FVTPL unless it is measured at amortised cost or at FVOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

## (IV) Financial Liabilities and Equity Instruments

### Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Equity instruments are recorded at the proceeds received, net of direct issue costs.

### Other Financial Liabilities

These are measured at amortised cost using effective interest rate.

## (V) Derecognition of Financial Assets and Financial Liabilities

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

## (VI) Impairment of Financial Assets

The company recognises impairment allowance for expected credit loss on financial assets held at amortised cost. In addition to that the Company has provided for Non-Performing Assets (NPA) as per Prudential Norms of RBI.

The Company recognises loss allowances (provisions) for expected credit losses on its financial assets (including non-fund exposures) that are measured at amortised costs or at fair value through other comprehensive income account. The Company applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

- debt instruments measured at amortised cost and fair value through other comprehensive income;
- loan commitments.

### No ECL is recognised on equity investments.

Financial assets migrate through the following three stages based on the change in credit risk since initial recognition:

#### Stage 1: ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, ECL associated with the probability of default events is recognised.

#### Stage 2: Lifetime ECL – not credit impaired

For exposures 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 lifetime of the financial asset) is recognised.

#### Stage 3: Lifetime ECL – credit impaired

Exposures 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 exposures that have become credit impaired, a lifetime ECL is recognised

The company has identified the following stage classification to be the most appropriate for its loans:

#### Stage 1: 0 to 60 DPD

#### Stage 2: 61 to 90 DPD

#### Stage 3: above 90 DPD

### Reclassification of Financial assets

The company does not re-classify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances when the company changes its business model for managing such financial assets. The company does not re-classify its financial liabilities.

## (VII) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower /debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.



# Notes to the Financial Statements

for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

## (VIII) Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

## (IX) Foreign currency transactions and translation

The financial statements of the Company are presented in Indian rupees (₹), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Exchange differences arising on the retranslation or settlement of monetary items are included in the statement of profit and loss for the period.

## B. REVENUE FROM OPERATIONS

### (I) Recognition of Dividend and Interest Income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, 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. This is generally when the shareholders or Board of Directors approve the dividend.

Under Ind AS 109 interest income is recorded using the Effective Interest Rate (EIR) method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR.

### (II) Dividends on Ordinary Shares

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value remeasurement recognised directly in equity. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

### (III) Fees and Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

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.

# Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Processing fee which is not forming part of effective interest rate has been recognised as and when it is accrued.

## (IV) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised as Revenue and if there is a net loss the same is disclosed under as Expense in the statement of Profit and Loss.

However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

## C. EXPENSES

### (I) Finance costs

Finance costs represents 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

- 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.
- By considering all the contractual terms of the financial instrument in estimating the cash flows
- 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.

Any subsequent change the estimation of the future cash flows is recognised in interest with the corresponding adjustment to the carrying amount of the assets.

### (II) Employee Benefits

#### Short term employee benefit

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The

undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

#### Post-employment employee benefits

##### a) Defined contribution schemes

All the employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

##### b) Defined Benefit schemes

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation





## Notes to the Financial Statements for the year ended 31-March-2025

*(All amounts are in Thousands of Indian Rupees unless otherwise stated)*

under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

Re-measurement, comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

### (III) Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract 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 assesses whether :

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases). For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are

evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows."

### (IV) Other Income and Expenses

All Other income and expense are recognized in the period they occur.

### (V) Impairment of Non-Financial Assets

The carrying amounts of the Company's property, plant & equipment and intangible assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the statement of profit and loss in the period in which impairment takes place.

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

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

# Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods. A reversal of an impairment loss is recognised immediately in profit or loss.

## (VI) Taxes

### Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI 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 tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. 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 tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets

and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

### Minimum Alternative Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

## D. CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. They are held for the purposes of meeting short term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Company's cash management.

## E. PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred. Depreciation is calculated using the Written Down Value (WDV) method to write down the cost of property and equipment to their residual values over their estimated useful lives.



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

The estimated useful lives as follows:

Particulars	Useful life estimated by company (Years)
Furniture And Fixtures	10
Electrical Installations & Equipments	10
Office Equipments	5
Computer And Accessories	3

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. 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 derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income /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.

### F. INTANGIBLE ASSETS

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

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata

basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 6 years, unless it has a shorter useful life.

The Company's intangible assets consist of computer software with definite life. Gains or losses from derecognition 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 and Loss when the asset is derecognised.

### G. CAPITAL WORK IN PROGRESS AND CAPITAL ADVANCES

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed in Other Non-Financial Assets.

### H. ACCOUNTING FOR PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Constructive obligation is an obligation that derives from an entity's actions where:

- by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities, and
- as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities. Contingent liabilities are not recognised in the financial statements. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of

# Notes to the Financial Statements

for the year ended 31-March-2025

*(All amounts are in Thousands of Indian Rupees unless otherwise stated)*

the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## I. EARNING 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 deducting 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.

## 6 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of: impairment of financial instruments, provisions and contingent liabilities.

### A. 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.

### B. DEFINED EMPLOYEE BENEFIT ASSETS AND LIABILITIES

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

### C. FAIR VALUE MEASUREMENT

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### D. 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. The impairment loss on loans and advances is disclosed in more detail in Note 9 Overview of ECL principles. In case, higher provisions are to be considered as per the prudential norms of the Reserve Bank of India, they are considered and routed through Impairment Reserves.



## Notes to the Financial Statements for the year ended 31-March-2025

*(All amounts are in Thousands of Indian Rupees unless otherwise stated)*

### E. CONTINGENT LIABILITIES AND PROVISIONS OTHER THAN IMPAIRMENT ON LOAN PORTFOLIO

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration in the ordinary course of the Company's business. When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

### F. EFFECTIVE INTEREST RATE (EIR) METHOD

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate

of a constant rate of return over the expected behavioural life of loans given / taken 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 and other fee income/expense that are integral parts of the instrument."

### G. OTHER ESTIMATES

These include contingent liabilities, useful lives of tangible and intangible assets etc.

### H. SEGMENT REPORTING

Pursuant to Ind AS 108 - Operating Segments, no segment disclosure has been made in these financial statements, as the Company has only one geographical segment and no other separate reportable business segment.



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### 7 Cash and Cash Equivalents

	As at 31-March-2025	As at 31-March-2024
Cash on hand	3,434.33	6,745.21
Balances with Banks - in Current Account	52,146.13	137,468.84
<b>Total</b>	<b>55,580.46</b>	<b>144,214.05</b>

### 8 Bank Balances other than above

	As at 31-March-2025	As at 31-March-2024
<b>Earmarked balances with banks:</b>		
Balances with banks to the extent held as security	20,000.00	-
<b>Total</b>	<b>20,000.00</b>	<b>-</b>

### 9 Loans

Particulars	As at 31-March-2025					Total
	Amortised cost	At Fair Value			Subtotal	
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
Loans						
(A)						
(i) Loans repayable on demand						
Gold Loan	130,940.75	-	-	-	-	130,940.75
(ii) Term Loans						
ICL Fincorp Term Loan	-	-	-	-	-	-
Gold Loan	5,001.76	-	-	-	-	5,001.76
(iii) Other Loans:						
Corporate Loans	-	-	-	-	-	-
Intercompany Deposit	-	-	-	-	-	-
Letter of Credit	-	-	-	-	-	-
Total (A) - Gross	135,942.51	-	-	-	-	135,942.51
Less: Impairment loss allowance	558.01	-	-	-	-	558.01
Total (A) - Net	135,384.50	-	-	-	-	135,384.50
(B)						
(i) Secured by tangible assets	135,942.51	-	-	-	-	135,942.51
(ii) Secured by intangible assets	-	-	-	-	-	-
(iii) Covered by Bank / Government Guarantees	-	-	-	-	-	-
(iv) Unsecured	-	-	-	-	-	-
Total (B) Gross	135,942.51	-	-	-	-	135,942.51
Less: Impairment loss allowance	558.01	-	-	-	-	558.01
Total (B) Net	135,384.50	-	-	-	-	135,384.50



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Particulars	As at 31-March-2025					
	Amortised cost	At Fair Value				Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	
(C)						
<b>(I) Loans in India</b>						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	135,942.51	-	-	-	-	135,942.51
<b>Total (C) Gross</b>	<b>135,942.51</b>	-	-	-	-	<b>135,942.51</b>
Less: Impairment loss allowance	558.01	-	-	-	-	558.01
<b>Total (C) (I) Net</b>	<b>135,384.50</b>	-	-	-	-	<b>135,384.50</b>
<b>(II) Loans outside India</b>	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
<b>Total (C) (II) Net</b>	-	-	-	-	-	-
<b>Total (C) (I) and C (II)</b>	<b>135,384.50</b>	-	-	-	-	<b>135,384.50</b>
Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons	Nil	Nil	Nil	Nil		Nil
Amounts due by firms or private companies in which any director is a partner or a director or a member	Nil	Nil	Nil	Nil		Nil

Particulars	As at 31-March-2024					
	Amortised cost	At Fair Value				Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	
<b>Loans</b>						
<b>(A)</b>						
<b>(i) Loans repayable on demand</b>						
Gold Loan	85,828.87	-	-	-	-	85,828.87
<b>(ii) Term Loans</b>						
ICL Fincorp Term Loan	44,707.68	-	-	-	-	44,707.68
Gold Loan	2,145.83					2,145.83
<b>(ii) Other Loans:</b>						
Corporate Loans	-	-	-	-	-	-
Intercompany Deposit	35,326.45	-	-	-	-	35,326.45
Letter of Credit	-	-	-	-	-	-
<b>Total (A) - Gross</b>	<b>168,008.83</b>	-	-	-	-	<b>168,008.83</b>
Less: Impairment loss allowance	230.39	-	-	-	-	230.39
<b>Total (A) - Net</b>	<b>167,778.44</b>	-	-	-	-	<b>167,778.44</b>

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Particulars	As at 31-March-2024					Total
	Amortised cost	At Fair Value			Subtotal	
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
(B)						
(i) Secured by tangible assets	87,974.71	-	-	-	-	87,974.71
(ii) Secured by intangible assets	-	-	-	-	-	-
(iii) Covered by Bank / Government Guarantees	-	-	-	-	-	-
(iv) Unsecured	80,034.12	-	-	-	-	80,034.12
<b>Total (B) Gross</b>	<b>168,008.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>168,008.83</b>
Less: Impairment loss allowance	230.39	-	-	-	-	230.39
<b>Total (B) Net</b>	<b>167,778.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>167,778.44</b>
(C)						
(I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	168,008.83	-	-	-	-	168,008.83
<b>Total (C) Gross</b>	<b>168,008.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>168,008.83</b>
Less: Impairment loss allowance	230.39	-	-	-	-	230.39
<b>Total (C) (I) Net</b>	<b>167,778.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>167,778.44</b>
(II) Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
<b>Total (C) (II) Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (C) (I) and C (II)</b>	<b>167,778.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>167,778.44</b>
Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons	Nil	Nil	Nil	Nil		Nil
Amounts due by firms or private companies in which any director is a partner or a director or a member	Nil	Nil	Nil	Nil		Nil

### Summary of ECL Provisions

Particulars	FY 2024-2025			
	Stage 1	Stage 2	Stage 3	Total
Gold Loan	23.93	1.91	532.16	558.01
ICL Fincorp Term Loan	-	-	-	-
Other Loans:				
Intercompany Deposit	-	-	-	-
<b>Total Closing ECL Provisions</b>	<b>23.93</b>	<b>1.91</b>	<b>532.16</b>	<b>558.01</b>



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Particulars	FY 2023-2024			
	Stage 1	Stage 2	Stage 3	Total
Gold Loan	10.40	3.67	216.32	230.39
ICL Fincorp Term Loan	-	-	-	-
Other Loans:				
Intercorporate Deposit	-	-	-	-
<b>Total Closing ECL Provisions</b>	<b>10.40</b>	<b>3.67</b>	<b>216.32</b>	<b>230.39</b>

As at 31-March-2025

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	131,764.25	23.93	131,740.32	527.02	(503.09)
	Stage 2	191.25	1.91	189.34	0.76	-
<b>Subtotal</b>		<b>131,955.50</b>	<b>25.84</b>	<b>131,929.66</b>	<b>527.78</b>	<b>(503.09)</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	<b>1,696.61</b>	<b>122.96</b>	<b>1,573.64</b>	<b>169.66</b>	<b>(46.70)</b>
Doubtful - up to 1 year	Stage 3	1,008.95	152.91	856.04	201.79	48.88
1 to 3 years	Stage 3	1,281.45	256.29	1,025.16	384.44	128.15
More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal for doubtful</b>		<b>2,290.40</b>	<b>409.20</b>	<b>1,881.20</b>	<b>586.23</b>	<b>177.02</b>
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>3,987.00</b>	<b>532.16</b>	<b>3,454.84</b>	<b>755.89</b>	<b>130.33</b>
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	-	-	-	-	-
<b>Subtotal</b>		-	-	-	-	-
<b>Total</b>	Stage 1	131,764.25	23.93	131,740.32	527.02	(503.09)
	Stage 2	191.25	1.91	189.34	0.76	-
	Stage 3	3,987.00	532.16	3,454.84	755.89	130.33
	<b>Total</b>	<b>135,942.51</b>	<b>558.01</b>	<b>135,384.50</b>	<b>1,283.67</b>	<b>(372.76)</b>

# Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

As at 31-March-2024

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	163,504.59	10.40	163,494.19	654.02	(643.62)
	Stage 2	366.62	3.67	362.95	1.47	-
<b>Subtotal</b>		<b>163,871.21</b>	<b>14.07</b>	<b>163,857.14</b>	<b>655.49</b>	<b>(643.62)</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	<b>2,856.17</b>	<b>88.18</b>	<b>2,767.99</b>	<b>285.62</b>	<b>(197.44)</b>
Doubtful - up to 1 year	Stage 3	1,281.45	128.15	1,153.31	256.29	(128.15)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal for doubtful</b>		1,281.45	128.15	1,153.31	256.29	(128.15)
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>4,137.62</b>	<b>216.32</b>	<b>3,921.29</b>	<b>541.91</b>	<b>(325.58)</b>
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	-	-	-	-	-
<b>Subtotal</b>		-	-	-	-	-
<b>Total</b>	Stage 1	163,504.59	10.40	163,494.19	654.02	(643.62)
	Stage 2	366.62	3.67	362.95	1.47	-
	Stage 3	4,137.62	216.32	3,921.29	541.91	(325.58)
<b>Total</b>		<b>168,008.83</b>	<b>230.39</b>	<b>167,778.44</b>	<b>1,197.40</b>	<b>(969.20)</b>

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to receivables under financing activities is, as follows:

	Year ended 31 <sup>st</sup> march 2025			
	Stage 1	Stage 2	Stage 3	Total
<b>Opening Gross carrying amount</b>	<b>163,504.59</b>	<b>366.62</b>	<b>4,137.62</b>	<b>168,008.83</b>
Add:- New Assets	131,515.61	191.25	1,199.79	132,906.65
Less:- Assets repaid	(162,787.03)	(338.72)	(1,847.22)	(164,972.97)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	(468.91)	(27.90)	496.81	-
Less:- Write off	-	-	-	-
<b>Closing Gross carrying amount</b>	<b>131,764.25</b>	<b>191.25</b>	<b>3,987.00</b>	<b>135,942.51</b>





## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### Reconciliation of ECL Balance

ECL Provision	Year ended 31 <sup>st</sup> march 2025			
	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount</b>	<b>10.40</b>	<b>3.67</b>	<b>216.32</b>	<b>230.39</b>
Add:- New Assets	23.93	1.91	86.47	112.31
Less:- Repaid	(9.42)	(3.39)	(17.93)	(30.74)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	(33.71)	(2.79)	36.50	-
Less:- Write off	-	-	-	-
Impact of changes in credit risk on account of stage movements	32.72	2.51	210.81	246.04
<b>Closing carrying amount</b>	<b>23.93</b>	<b>1.91</b>	<b>532.16</b>	<b>558.01</b>

### Credit Quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification

As on 31-03-2025

Internal Rating	Stage 1	Stage 2	Stage 3	Total
High Grade	128,663.88	35.00	245.99	128,944.87
Medium Grade	2,287.42	70.11	127.59	2,485.12
Low Grade	812.95	86.13	3,613.43	4,512.51
<b>Total</b>	<b>131,764.25</b>	<b>191.25</b>	<b>3,987.00</b>	<b>135,942.51</b>

As on 31-03-2024

Internal Rating	Stage 1	Stage 2	Stage 3	Total
High Grade	162,225.10	-	704.51	162,929.61
Medium Grade	617.25	108.82	880.50	1,606.57
Low Grade	662.24	257.80	2,552.61	3,472.64
<b>Total</b>	<b>163,504.59</b>	<b>366.62</b>	<b>4,137.62</b>	<b>168,008.83</b>

## 10 Investments

Investments	Amortised cost	At Fair Value			Subtotal	Total
		Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss		
<b>As at 31-March-2025</b>						
Mutual funds	-	-	9,472.84	-	9,472.84	9,472.84
Debt securities	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-
Associates	-	-	-	-	-	-
In Units of Trusts and Schemes of Venture Funds	-	-	-	-	-	-
Others (Deemed Investment)	-	-	-	-	-	-
<b>Total – Gross A</b>	<b>-</b>	<b>-</b>	<b>9,472.84</b>	<b>-</b>	<b>9,472.84</b>	<b>9,472.84</b>

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Investments	Amortised cost	Through other comprehensive income	At Fair Value		Subtotal	Total
			Through profit or loss	Designated at fair value through profit or loss		
(i) Investments outside India	-	-	-	-	-	-
(ii) Investments in India	-	-	9,472.84	-	9,472.84	9,472.84
<b>Total – B</b>	-	-	<b>9,472.84</b>	-	<b>9,472.84</b>	<b>9,472.84</b>
Less: Impairment loss allowance (C)	-	-	-	-	-	-
<b>Total – Net D =(A)-(C)</b>	-	-	<b>9,472.84</b>	-	<b>9,472.84</b>	<b>9,472.84</b>
<b>As at 31-March-2024</b>						
Mutual funds	-	-	9,319.81	-	9,319.81	9,319.81
Debt securities	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-
Associates	-	-	-	-	-	-
In Units of Trusts and Schemes of Venture Funds	-	-	-	-	-	-
Others (Deemed Investment)	-	-	-	-	-	-
<b>Total – Gross A</b>	-	-	<b>9,319.81</b>	-	<b>9,319.81</b>	<b>9,319.81</b>
(i) Investments outside India	-	-	-	-	-	-
(ii) Investments in India	-	-	9,319.81	-	9,319.81	9,319.81
<b>Total – B</b>	-	-	<b>9,319.81</b>	-	<b>9,319.81</b>	<b>9,319.81</b>
Less: Impairment loss allowance (C)	-	-	-	-	-	-
<b>Total – Net D =(A)-(C)</b>	-	-	<b>9,319.81</b>	-	<b>9,319.81</b>	<b>9,319.81</b>

### Details of Investments in Equity Instruments and Mutual Funds

Name of Body Corporate	As at 31-March-2025		As at 31-March-2024	
	Quantity of Shares	Market value	Quantity of Shares	Market value
DSP BLACK ROCK Tax Saver Fund (D) (FV: ₹10/-)	200,797	1,100.07	200,797	4,500.46
AXIS LONG TERM EQUITY FUND (D) (FV: ₹10/-)	150,706	3,628.53	150,706	3,714.66
Aditya Birla Sun Life Tax Relief'96 (D) (FV: ₹10/-)	6,157	4,744.23	6,157	1,104.69
<b>TOTAL</b>	<b>357,660</b>	<b>9,472.84</b>	<b>357,660</b>	<b>9,319.81</b>

## 11 Other Financial Assets

	As at 31-March-2025	As at 31-March-2024
Interest accrued on loan portfolio	1,492.97	1,407.60
Security deposits	5,748.54	5,179.11
<b>Total</b>	<b>7,241.51</b>	<b>6,586.71</b>



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### 12 Other Non-Financial Assets

	As at 31-March-2025	As at 31-March-2024
GST Receivable	2131.91	1,162.21
Advance for Capital Expenditure	278.59	6,247.43
Balances with Government Authorities	16,977.62	16,977.62
Prepaid Expenses	325.01	311.85
Other Advances	860.04	685.12
<b>Total</b>	<b>20,573.18</b>	<b>25,384.23</b>

### 13 Deferred Tax Assets / (Deferred Tax Liability) (Net)

	As at 1 <sup>st</sup> April, 2024	Recognised/ (reversed) in Statement of Profit & Loss	Recognised/ (reversed) in Other Comprehensive Income	As at 31-March-2025
MAT Credit Entitlement	16,801.89	-	-	16,801.89
Financial Assets and Liabilities at FVTPL	(415.35)	400.45	-	(14.90)
Receivables, Financial Assets and Liabilities at Amortised Cost	-	-	-	-
Unrealised gain on Investment carried at Fair Value	-	-	-	-
Remeasurement gain/ (loss) on defined benefit plan	(13.45)	-	(35.47)	(48.92)
Carried Forward of Losses & Unabsorbed Depreciation	-	-	-	-
Property, Plant and Equipment and Intangible Assets	487.09	1,814.32	-	2,301.40
Other Timing Differences	(104.49)	104.49	-	-
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>16,755.69</b>	<b>2,319.26</b>	<b>(35.47)</b>	<b>19,039.48</b>

	As at 1 <sup>st</sup> April, 2023	Recognised/ (reversed) in Statement of Profit & Loss	Recognised/ (reversed) in Other Comprehensive Income	As at 31-March-2024
MAT Credit Entitlement	16,890.31	(88.42)	-	16,801.89
Financial Assets and Liabilities at FVTPL	114.51	(529.86)	-	(415.35)
Receivables, Financial Assets and Liabilities at Amortised Cost	-	-	-	-
Unrealised gain on Investment carried at Fair Value	-	-	-	-
Remeasurement gain/ (loss) on defined benefit plan	(6.34)	-	(7.11)	(13.45)
Carried Forward of Losses & Unabsorbed Depreciation	-	-	-	-
Property, Plant and Equipment and Intangible Assets	314.98	172.10	-	487.09
Other Timing Differences	-	(104.49)	-	(104.49)
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>17,313.46</b>	<b>(550.66)</b>	<b>(7.11)</b>	<b>16,755.69</b>

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### 14A Property, Plant and Equipment

	Land	Building	Electrical installations & Equipments	Furniture and fixtures	Office Equipments	Computer and accessories	Total
<b>Cost or valuation</b>							
<b>At 1<sup>st</sup> April 2023</b>	-	-	755.70	6,049.38	1,003.09	755.45	8,563.61
Additions	61,764.70	2,110.00	2,629.62	12,445.59	3,070.34	1,724.75	83,745.01
Disposals	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-
<b>As at 31-March-2024</b>	<b>61,764.70</b>	<b>2,110.00</b>	<b>3,385.32</b>	<b>18,494.97</b>	<b>4,073.42</b>	<b>2,480.20</b>	<b>92,308.62</b>
Additions			621.37	4,832.85	982.22	529.75	6,966.18
Disposals	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-
<b>As at 31-March-2025</b>	<b>61,764.70</b>	<b>2,110.00</b>	<b>4,006.69</b>	<b>23,327.82</b>	<b>5,055.64</b>	<b>3,009.95</b>	<b>99,274.80</b>
<b>Depreciation</b>							
<b>At 1<sup>st</sup> April 2023</b>	-	-	273.48	1,900.95	466.30	419.86	3,060.59
Charge for the year	-	9.35	276.73	1,947.64	499.71	503.99	3,237.42
Disposals	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-
<b>As at 31-March-2024</b>	<b>-</b>	<b>9.35</b>	<b>550.21</b>	<b>3,848.58</b>	<b>966.01</b>	<b>923.85</b>	<b>6,298.00</b>
Charge for the period	-	102.30	858.35	4,935.78	1,816.51	1,281.52	8,994.46
Disposals	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-
<b>As at 31-March-2025</b>	<b>-</b>	<b>111.65</b>	<b>1,408.56</b>	<b>8,784.36</b>	<b>2,782.52</b>	<b>2,205.37</b>	<b>15,292.47</b>
<b>Net Block</b>							
<b>As at 31-March-2024</b>	<b>61,764.70</b>	<b>2,100.66</b>	<b>2,835.11</b>	<b>14,646.39</b>	<b>3,107.41</b>	<b>1,556.35</b>	<b>86,010.62</b>
<b>As at 31-March-2025</b>	<b>61,764.70</b>	<b>1,998.36</b>	<b>2,598.13</b>	<b>14,543.46</b>	<b>2,273.11</b>	<b>804.57</b>	<b>83,982.34</b>

### 14B Right-of-Use Asset

	Total
<b>Building</b>	
<b>At 1<sup>st</sup> April 2023</b>	14,091.39
Additions	14,282.61
Disposals	-
<b>As at 31-March-2024</b>	<b>28,373.99</b>
Additions	662.81
Disposals	-
<b>As at 31-March-2025</b>	<b>29,036.80</b>
<b>Depreciation</b>	
<b>At 1<sup>st</sup> April 2023</b>	4,516.52
Charge for the year	5,326.63
Disposals	-
<b>As at 31-March-2024</b>	<b>9,843.16</b>
Charge for the year	6,653.95
Disposals	-
<b>As at 31-March-2025</b>	<b>16,497.11</b>
<b>Net Right-of-use asset</b>	
<b>As at 31-March-2024</b>	<b>18,530.84</b>
<b>As at 31-March-2025</b>	<b>12,539.69</b>



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### 14B Lease Liability

	Total
<b>At 1<sup>st</sup> April 2023</b>	<b>9,155.64</b>
Additions	12,991.07
Finance cost accrued during the year	1,721.76
Deletions	-
Payment of lease liabilities	6,074.65
<b>As at 31-March-2024</b>	<b>17,793.82</b>
Additions	617.60
Finance cost accrued during the year	1,879.25
Deletions	-
Payment of lease liabilities	7,168.65
<b>As at 31-March-2025</b>	<b>13,122.02</b>
Lease Liability	13,122.02

Particulars	As at 31-March-2025
Less than one year	9.90
One to five years	6,979.75
More than five years	6,132.37
<b>Total</b>	<b>13,122.02</b>

### 15 Intangible Assets

	Software
<b>Cost</b>	
<b>At 1<sup>st</sup> April 2023</b>	490.50
Additions	446.04
Disposals	-
<b>As at 31-March-2024</b>	936.54
Additions	-
Disposals	-
<b>As at 31-March-2025</b>	<b>936.54</b>
<b>Amortization</b>	
<b>At 1<sup>st</sup> April 2023</b>	160.95
Charge for the year	88.32
Disposals	-
<b>As at 31-March-2024</b>	<b>249.27</b>
Charge for the year	148.29
Disposals	-
<b>As at 31-March-2025</b>	397.56
<b>As at 31-March-2024</b>	<b>687.27</b>
<b>As at 31-March-2025</b>	<b>538.98</b>

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### 16 Provisions

	As at 31-March-2025	As at 31-March-2024
Employee Benefits		
- Gratuity	645.08	407.63
Provision for Taxation	12,575.37	10,926.38
Provision for loss on account of fraud.	1,583.00	1,400.00
<b>Total</b>	<b>14,803.45</b>	<b>12,734.00</b>

### 17 Other Financial Liabilities

	As at 31-March-2025	As at 31-March-2024
Interest accrued on borrowings	9,062.57	5,131.59
Unpaid Matured Debentures and Interest accrued thereon;	-	300.00
Employee Related Payables	5,629.56	3,957.83
Others	206.73	254.16
<b>Total</b>	<b>14,898.87</b>	<b>9,643.58</b>
Amount to be credited to Investor Education and Protection Fund towards unpaid dividends	Nil	Nil

### 18 Other Non-financial liabilities

	As at 31-March-2025	As at 31-March-2024
Statutory Dues Payable	680.71	494.20
<b>Total</b>	<b>680.71</b>	<b>494.20</b>

### 19 Trade Payables

	As at 31-March-2025	As at 31-March-2024
Total outstanding dues of micro enterprises and small enterprises; and	252.30	2,084.08
Total outstanding dues of creditors other than micro enterprises and small enterprises.	1,083.73	9,300.97
<b>TOTAL</b>	<b>1,336.03</b>	<b>11,385.04</b>

Trade Payables aging schedule

As at 31-March-2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	252.30	-	-	-	252.30
ii) Others	932.11	100.00	51.62	-	1,083.73
iii) Disputed dues- MSME	-	-	-	-	-
iv) Disputed dues- Others	-	-	-	-	-





# Notes to the Financial Statements

for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

As at 31-March-2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	2,084.08	-	-	-	2,084.08
ii) Others	9,180.34	114.73	-	5.90	9,300.97
iii) Disputed dues- MSME	-	-	-	-	-
iv) Disputed dues- Others	-	-	-	-	-

Disclosure:- Micro, Small and Medium Enterprises

	As at 31-March-2025	As at 31-March-2024
a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	252.30	719.72
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

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

## 20 Debt Securities

	As at 31-March-2025	As at 31-March-2024
<b>At Amortised Cost</b>		
Privately placed redeemable non-convertible debentures (Secured)	125,750.00	182,415.00
Others - Non-convertible Debentures - Public issue(Secured)	-	-
<b>Total (A)</b>	<b>125,750.00</b>	<b>182,415.00</b>
Debt securities in India	125,750.00	182,415.00
Debt securities outside India	-	-
<b>Total (B)</b>	<b>125,750.00</b>	<b>182,415.00</b>

### Nature of Security

Secured by hypothecation of all current assets, loans and advances, including standard gold loan receivables, and other unencumbered assets of the Company excluding fixed assets, both present and future and with a minimum security cover of 110% of outstanding balance of Debentures and accrued interest thereon. The Company has executed a separate deed of hypothecation in favour of Trustees for creation of this security.

Debentures are offered for a period of 13 months to 68 months.

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### A] Non Convertible Debentures (Secured)

Non Convertible Debentures of ₹1,000/- each. Details of rate of interest and maturity pattern as on the date of the balance sheet is as under:

As at 31-March-2025

Redeemable at par within	Rate of interest							
	>= 10% < 12%		>= 12% < 14%		>= 14%		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 1 year	2,990	2,990.00	6,360	6,360.00	-	-	9,350	9,350.00
Due within 1-2 years	15,903	15,903.00	27,164	27,164.00	-	-	43,067	43,067.00
Due within 2-3 years	14,354	14,354.00	25,306	25,306.00	-	-	39,660	39,660.00
Due within 3-4 years	-	-	13,850	13,850.00	-	-	13,850	13,850.00
Due within 4-5 years	-	-	800	800.00	-	-	800	800.00
Due within 5-6 years	-	-	19,023	19,023.00	-	-	19,023	19,023.00
<b>Grand Total ₹</b>	<b>33,247</b>	<b>33,247.00</b>	<b>92,503</b>	<b>92,503.00</b>	<b>-</b>	<b>-</b>	<b>125,750</b>	<b>125,750.00</b>

As at 31-March-2024

Redeemable at par within	Rate of interest							
	>= 10% < 12%		>= 12% < 14%		>= 14%		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 1 year	27,855	27,855.00	38,960	38,960.00	-	-	66,815	66,815.00
Due within 1-2 years	17,393	17,393.00	33,524	33,524.00	-	-	50,917	50,917.00
Due within 2-3 years	15,854	15,854.00	22,606	22,606.00	-	-	38,460	38,460.00
Due within 3-4 years	-	-	7,200	7,200.00	-	-	7,200	7,200.00
Due within 4-5 years	-	-	800	800.00	-	-	800	800.00
Due within 5-6 years	-	-	18,223	18,223.00	-	-	18,223	18,223.00
<b>Grand Total ₹</b>	<b>61,102</b>	<b>61,102.00</b>	<b>121,313</b>	<b>121,313.00</b>	<b>-</b>	<b>-</b>	<b>182,415</b>	<b>182,415.00</b>

### B] Non Convertible Debentures of ₹1,000/- each - series-wise classification

As at 31-March-2025

Sl. No.	Date of Allotment	Outstanding	Interest Rate	Tenure(months)
1	02/06/2022	2,400.00	11.75%-13.01%	36-68
2	07/05/2022	6,500.00	11.75%-13.01%	36-68
3	08/01/2025	4,650.00	12%-13.01%	36-68
4	12/01/2024	60,538.00	11.5%-13.01%	24-68
5	13/02/2024	33,412.00	11.5%-13.01%	24-68
6	15/03/2025	2,300.00	12%-12.5%	36-36
7	17/02/2022	400.00	13.66%-13.66%	65-65
8	20/06/2023	3,750.00	11.5%-13.01%	24-68
9	20/11/2024	3,200.00	12%-13.01%	36-68
10	21/01/2022	2,500.00	13.66%-13.66%	65-65
11	22/08/2022	1,000.00	11.75%-12.75%	36-36
12	29/09/2023	1,800.00	11.5%-12%	24-24
13	30/03/2022	3,100.00	13.66%-13.66%	65-65
14	31/12/2021	200.00	13.66%-13.66%	65-65
		<b>125,750.00</b>		



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

As at 31-March-2024

Sl. No.	Date of Allotment	Outstanding	Interest Rate	Tenure(months)
1	12/31/2021	5,350.00	12.25%-13.66%	36-65
2	1/21/2022	6,810.00	12.25%-13.66%	36-65
3	2/17/2022	12,700.00	12.25%-13.66%	36-65
4	3/30/2022	10,900.00	12.25%-13.66%	36-65
5	5/7/2022	6,850.00	11.75%-13.01%	24-68
6	6/2/2022	3,400.00	11.50%-13.01%	24-68
7	8/22/2022	1,900.00	11.75%-12.75%	24-36
8	6/20/2023	5,750.00	11.00%-13.01%	13-68
9	9/29/2023	2,800.00	11.50%-12.00%	13-24
10	1/12/2024	81,193.00	11.00%-13.01%	13-68
11	2/13/2024	44,762.00	11.00%-13.01%	13-68
		<b>182,415.00</b>		

### 21 Equity Share Capital

	As at 31-March-2025		As at 31-March-2024	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity Shares, ₹ 1/- par value per share	12,000,000	12,000.00	12,000,000	12,000.00
<b>Total</b>		<b>12,000.00</b>		<b>12,000.00</b>
<b>Issued and subscribed</b>				
Equity Shares, ₹ 1/- par value per share	11,465,520	11,465.52	11,465,520	11,465.52
<b>Fully Paid-up</b>				
Equity Shares, ₹ 1/- par value per share	11,465,520	11,465.52	11,465,520	11,465.52
<b>Forfeited Shares</b>		0.08		0.08
<b>Total</b>		<b>11,465.60</b>		<b>11,465.60</b>

#### 21.1 Reconciliation of the Number of Equity Shares outstanding

The reconciliation of the number of equity shares outstanding and the corresponding amount thereof, as at the Balance Sheet date is set out below:

Equity Shares	As at 31-March-2025		As at 31-March-2024	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	11,465,520	11,465.52	11,465,520	11,465.52
Add: Issued during the year	-	-	-	-
At the end of the year	11,465,520	11,465.52	11,465,520	11,465.52

#### 21.2 Rights, preferences and restrictions in respect of each class of shares

The Company's authorised capital consists of classes of shares, referred to as Equity Shares and ₹ 1/- each. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

21.3 Details of Shareholders holding more than 5% of the equity shares each, are set out below:

Name of the shareholder (Promotor)	As at 31-March-2025		As at 31-March-2024	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
M/s ICL Fincorp Ltd	8,599,140	75.00%	8,599,140	75.00%

21.4 Details of Shares held by promoters at the end of the year

Promoter Name	No. of Shares	% of total shares	% Change during the year
M/s ICL Fincorp Ltd	8,599,140	75.00%	-

## 22 Other Equity

	As at 31-March-2025	As at 31-March-2024
<b>Statutory Reserve (pursuant to Section 45IC of the Reserve Bank of India Act, 1934)</b>		
Opening balance	49,807.88	49,807.88
Add: Transfer from retained earnings	-	-
Closing balance	<b>49,807.88</b>	<b>49,807.88</b>
<b>Capital Reserve</b>		
Opening balance	2,319.78	2,319.78
Closing balance	<b>2,319.78</b>	<b>2,319.78</b>
<b>Impairment Reserve</b>		
Opening balance	1,454.32	1,454.32
Add: Transferred from statement of Profit and loss account	-	-
Closing balance	<b>1,454.32</b>	<b>1,454.32</b>
<b>General Reserve</b>		
Opening balance	7,569.11	7,569.11
Closing balance	<b>7,569.11</b>	<b>7,569.11</b>
<b>Retained Earnings</b>		
Opening balance	168,109.86	186,335.07
Add: Profit for the year	(47,192.77)	(18,225.2075)
<b>Add/ Less: Appropriations</b>		
Transferred to Statutory Reserve	-	-
Transferred to Impairment Reserve	-	-
<b>Total appropriations</b>	<b>-</b>	<b>-</b>
<b>Closing balance</b>	<b>120,917.09</b>	<b>168,109.86</b>
<b>Other Comprehensive Income</b>		
Balance as per last financial statements	<b>75.44</b>	<b>30.84</b>
Add: Additions during the period	152.67	44.61
<b>Net surplus in the statement of profit and loss</b>	<b>228.11</b>	<b>75.44</b>
<b>Total</b>	<b>182,296.30</b>	<b>229,336.41</b>

(i) Statutory Reserve:

Transfer of 20% of the profit after tax before re-measurement adjustments on transition to Ind AS, if any, to the statutory reserves in accordance with the provision of Section 45-IC of the RBI Act, 1934 . Since there is a loss during the year, no amount is transferred to statutory reserve.

The conditions and restrictions for distribution attached to Special Reserve is as follows:



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

No appropriation of any sum from the reserve fund shall be made by the Company except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal. RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty one days by such further period as it thinks fit or condone any delay in making such report.

(ii) **Capital Reserve:**

This reserve represents capital investment subsidy received and amount forfeited towards warrant subscription.

(iii) **Impairment Reserve:**

Where impairment allowance under Ind As 109 is lower than the provisioning required under IRACP (including standard asset provisioning), the differential amount is transferred to impairment reserve. The balance in the impairment reserve shall not be reckoned for regulatory capital.

(iv) **General Reserve:**

This reserve include amount transferred from net profit as per provisions of erstwhile Companies Act, 1956 and Reserves created on Amalgamation.

(v) **Retained Earnings:**

This reserve represents the cumulative profits of the Company. This can be utilised in accordance with the provisions of the Companies Act, 2013.

(vi) **Other comprehensive income:**

Other items of other comprehensive income consist of remeasurement of net defined benefit liability/asset.

### 23 Revenue from operations

I) **Interest Income:**

	For the year ended 31-March-2025			For the year ended 31-March-2024		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans	-	36,392.92	-	-	38,202.04	-
Interest on Fixed deposit	-	342.86	-	-	-	-
Interest on deposits with Banks	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>36,735.79</b>	<b>-</b>	<b>-</b>	<b>38,202.04</b>	<b>-</b>

(II) **Dividend Income**

	For the year ended 31-March-2025	For the year ended 31-March-2024
Dividend from Mutual Funds	814.48	403.57
	<b>814.48</b>	<b>403.57</b>

(III) **Fees and Commission Income**

	For the year ended 31-March-2025	For the year ended 31-March-2024
Fees and Service Charges Received	825.16	341.62
<b>Total</b>	<b>825.16</b>	<b>341.62</b>

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### 24 Net gain on fair value changes

Particulars	For the year ended 31-March-2025	For the year ended 31-March-2024
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	-	-
- Derivatives	-	-
- Others	-	-
(ii) On financial instruments designated at fair value through profit or loss	153.02	1,974.72
(B) Others	-	-
<b>Total Net gain/(loss) on fair value changes (C)</b>	<b>153.02</b>	<b>1,974.72</b>
Fair Value changes:		
-Realised	-	-
-Unrealised	153.02	1,974.72
<b>Total Net gain/(loss) on fair value changes (D) to tally with (C)</b>	<b>153.02</b>	<b>1,974.72</b>

### 25 Other Income

Particulars	For the year ended 31-March-2025	For the year ended 31-March-2024
Interest on Rent Deposit	518.64	403.94
Interest on Income Tax Refund	-	69.12
Concession on Lease Rent	-	-
Other Income	30.38	-
<b>Total</b>	<b>549.02</b>	<b>473.06</b>

### 26 Finance Costs

	For the year ended 31-March-2025		For the year ended 31-March-2024	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Interest on Debt securities	21,699.51	-	14,296.23	-
Interest on lease liability	1,879.25	-	1,721.76	-
<b>Total</b>	<b>23,578.76</b>	<b>-</b>	<b>16,017.99</b>	<b>-</b>

### 27 Employee Benefits Expenses

	For the year ended 31-March-2025	For the year ended 31-March-2024
Salaries and wages	30,852.79	18,862.34
Contribution to provident and other funds	1,951.38	1,186.96
<b>Total</b>	<b>32,804.17</b>	<b>20,049.31</b>

### 28 Impairment on Financial Instruments (net)

	For the year ended 31-March-2025		For the year ended 31-March-2024	
	On Financial Intruments measured at fair value through OCI	On Financial Intruments measured at Amortised Cost	On Financial Intruments measured at fair value through OCI	On Financial Intruments measured at Amortised Cost
Loans	-	327.61	-	131.78
<b>Total</b>	<b>-</b>	<b>327.61</b>	<b>-</b>	<b>131.78</b>





## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### 28.1 Impairment on Loans

	For the year ended 31-March-2025		For the year ended 31-March-2024	
	On Financial Instruments measured at fair value through OCI	On Financial Instruments measured at Amortised Cost	On Financial Instruments measured at fair value through OCI	On Financial Instruments measured at Amortised Cost
Provision for Impairment	-	327.61	-	131.78
<b>Total</b>	<b>-</b>	<b>327.61</b>	<b>-</b>	<b>131.78</b>

### 29 Depreciation and amortization expense

	For the year ended 31-March-2025	For the year ended 31-March-2024
Depreciation of tangible assets	8,994.46	3,237.42
Depreciation of right-of- use asset	6,653.95	5,326.63
Amortization of intangible assets	148.29	88.32
<b>Total</b>	<b>15,796.70</b>	<b>8,652.37</b>

### 30 Administrative and Other Expenses

	For the year ended 31-March-2025	For the year ended 31-March-2024
Advertising and sales promotion	873.05	3,021.37
Bank Charges	133.14	115.04
Director's Fees, Allowances and Expenses	174.40	81.75
Insurance	445.36	331.30
Office Expense	1,175.31	740.24
Other Expenditure	73.58	257.39
Payment to auditor (Refer details below)	476.98	437.15
Postage and Telephone	798.85	485.88
Printing and Stationery	387.13	488.41
Professional Charges	3,704.53	3,865.08
Rent	1,877.19	506.52
Repair & Maintenance	2,465.23	1,199.02
Provision for loss on account of fraud	183.00	1,400.00
Tax and Fee	1,890.95	539.62
Travelling & Conveyance	225.65	204.68
Water & Electricity	1,197.89	579.93
<b>Total</b>	<b>16,082.25</b>	<b>14,253.38</b>

#### 30.1 Payments to the Auditor (Excluding GST)

	For the year ended 31-March-2025	For the year ended 31-March-2024
as auditor	350.00	320.00
for taxation matters	90.75	82.50
for company law matters	-	-
for other services	36.23	25.00
for reimbursement of expenses	-	-
<b>Total</b>	<b>476.98</b>	<b>427.50</b>

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### 30.2 Corporate Social Responsibility Expenses

	For the year ended 31-March-2025	For the year ended 31-March-2024
Amount required to be spent by the company during the year	-	-
Amount of expenditure incurred	-	-
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	-	-
Nature of CSR activities	Educational and Entertainment Purposes	Educational and Entertainment Purposes
Details of related party transactions	-	-
<b>Movement of CSR Provision:</b>		
Provision as on 31.03.2024	-	-
Less: Contribution to Prime Minister's National Relief Fund	-	-
Provision as on 31.03.2025	-	-

### 31 Earnings Per Share (EPS) - The numerators and denominators used to calculate Basic and Diluted EPS

		For the year ended 31-March-2025	For the year ended 31-March-2024
<b>Profit after Tax attributable to the Equity Shareholders</b>	(A)		
Basic and Diluted		(47,192.77)	(18,225.21)
Number of Equity Shares at the beginning of the year		11,466	11,466
Number of Equity Shares issued during the year		-	-
Number of Equity Shares at the end of the year		11,466	11,466
Weighted average number of Equity Shares outstanding during the year	(B)	11,466	11,466
Nominal Value of each Equity Share (₹)		1	1
<b>Basic and Diluted Earnings per Share (₹)</b>	<b>(A/B)</b>	<b>(4.12)</b>	<b>(1.59)</b>

### 32 Contingent Liabilities and Commitments (To the extent not provided for)

	As at 31-March-2025	As at 31-March-2024
<b>Contingent Liabilities</b>		
(a) Claims against the Company not acknowledged as debts:		
Income Tax*	105.59	46.80
(b) Guarantees excluding financial guarantees; and	-	-
(c) Other money for which the company is contingently liable.	-	-
<b>Total</b>	<b>105.59</b>	<b>46.80</b>
<b>Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for;#	-	-
(b) Uncalled liability on shares and other investments partly paid	-	-
(c) Other Commitments	-	-

\*The Income Tax department raised demand of ₹24,181/- on account of TDS default for the financial year 2024-25. The Income Tax department raised demand of ₹34,607/- on account of TDS default for the financial year 2023-24. The Income Tax department raised demand of ₹46,800/- on account of TDS default for the financial year 2022-23. This happens due to clerical error in quarterly TDS return and the company proposes to revise the return to abolish errors. Since the company doesn't expect any liability after revising the return, no provision has been made in the books of accounts of the company.



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### 33 Income Tax

The components of income tax expense for the year ended 31 March 2024 and year ended 31 March 2023 are:

	For the year ended 31-March-2025	For the year ended 31-March-2024
Current tax	-	-
Adjustment in respect of current income tax of prior years	-	53.14
Deferred tax relating to origination and reversal of temporary differences	(2,319.26)	462.24
<b>Total tax charge</b>	<b>(2,319.26)</b>	<b>515.38</b>
Current tax	-	53.14
Deferred tax	(2,319.26)	462.24

Reconciliation of Income tax expense:

	For the year ended 31-March-2025	For the year ended 31-March-2024
Accounting profit before tax as per Ind AS	(49,512.03)	(17,709.83)
Add/(Less) : Ind AS Adjustments on PBT	1,173.53	701.59
Accounting profit before tax for IT Computation	<b>(48,338.50)</b>	(17,008.24)
Allowances / Disallowances and other adjustments (Net)	7,406.53	2,723.27
Adjusted profit / (Loss) before tax for Income Tax	<b>(40,931.96)</b>	(14,284.97)
Current Tax as per Books		
Tax at Normal Rate (Effective rate of 26%, March 2023: 26%)		
Adjustment of prior year tax / MAT Credit	-	53.14
Total Tax as given in Books	-	53.14
All India Statutory income tax rate of 26%, March 2023: 26%	-	-

### 34 Retirement Benefit Plan

#### Defined Contribution Plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹4,54,868/- (Previous Year: ₹2,43,439/-) for Employee State Insurance Scheme contributions and ₹14,96,507/- (Previous Year: ₹9,43,525/-) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

#### Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

#### i) Gratuity

Actuarial assumptions	As at 31-March-2025	As at 31-March-2024
Mortality table	IALM 2012-14 Ult	IALM 2012-14 Ult
Superannuation age	65	65
Early retirement and disablement	5% p.a	5% p.a
Discount rate	7.00%	7.20%
Inflation rate	5%	5%
Return on asset	N/A	N/A
Remaining working life	15.7	15.6
Formula used	Projected unit credit Method with control period of one year	Projected unit credit Method with control period of one year

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Reconciliation of PBO	As at 31-March-2025	As at 31-March-2024
Projected Benefit Obligation at Beginning of Year	407.63	180.37
Current Service Cost	369.63	246.93
Interest Cost	55.96	32.05
Contributions by plan participants	-	-
Actuarial (Gain)/Loss due to change in assumptions and experience deviation	(188.14)	(51.72)
Foreign currency exchange rate changes on plans measured in a currency different from the enterprise's reporting currency	-	-
Benefits Paid	-	-
Past service cost	-	-
Amalgamations	-	-
Curtailments	-	-
Settlements	-	-
Projected Benefit Obligation at End of Year	645.08	407.63

### Changes in fair value of plan assets

Not applicable as scheme is unfunded

### Funded status

Not applicable as scheme is unfunded

Amount to be Recognised in Balancesheet:	As at 31-March-2025	As at 31-March-2024
Projected Benefit Obligation at End or year	645.08	407.63
Ending Asset	-	-
Funded Status asset / (liability)	(645.08)	(407.63)
Unrecognised past service cost - non vested benefits (-)	-	-
Liability(-)/Asset(+) recognised in Balance Sheet	(645.08)	(407.63)

Statement of Profit/Loss	As at 31-March-2025	As at 31-March-2024
Current service cost	369.63	246.93
Interest cost	55.96	32.05
Expected return of plan asset	-	-
Curtailment cost	-	-
Net actuarial (gain)/loss to be recognised in year	-	-
Past Service Cost Recognised	-	-
Effect of Curtailments	-	-
Income (-)/Expense(+) recognised in the statement of P&L	425.59	278.98
Current Liability	2.27	1.39
Non-Current Liability	642.81	406.24



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Further Reconciliation	As at 31-March-2025	As at 31-March-2024
Expenses As above	425.59	278.98
Less ER Contribution/Direct benefits paid	-	-
Less included in OCI	(188.14)	(51.72)
Balance to be recognised in P&L	237.45	227.26
Increase in Funded Status	(237.45)	(227.26)
Actuarial gain/(loss) due to assumption changes	(17.05)	(16.17)
Experience adjustments[Gain/(Loss)]:Liability	205.18	67.89
Total Actuarial gain/(loss) : liability	188.14	51.72
Asset gain / (loss)	-	-
Total gain / (loss)	188.14	51.72

Amounts recognised in Other Comprehensive Income	As at 31-March-2025	As at 31-March-2024
Actuaial gain /(loss) due to assumption changes	(17.05)	(16.17)
Experience adjustments[Gain/(Loss)]:Liability	205.18	67.89
Total Actuarial gain/(loss) on liability side	188.14	51.72
Asset gain / (loss)	-	-
Total to be recognised in OCI for the year	188.14	51.72
Total b/f balance [ gains/(loss) ]	88.89	37.17
Total recognised in OCI at EoY	277.03	88.89

Sensitivity Analysis (Proj.Ben. Obligations)	As at 31-March-2025	As at 31-March-2024
Current year basis	645.08	634.89
Last years basis	628.04	391.46
Discount rate increased by 0.25%	623.90	394.09
Discount rate decreased by 0.25%	667.37	421.87
Salary Escalation rate increased by2%	853.09	540.51
Salary Escalation rate decreased by2%	501.45	315.51
Employee Turnover rate increased by2%	638.32	403.04
Employee Turnover rate decreased by2%	648.89	410.24

Categories of Plan Assets	As at 31-March-2025	As at 31-March-2024
Government of India Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Funds managed by Insurer	0%	0%

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Details of experience adjustment on plan assets and liabilities	As at 31-March-2025	As at 31-March-2024
F Y 2026	2.27	1.39
F Y 2027	7.12	1.48
F Y 2028	20.35	10.54
F Y 2029	23.93	19.24
F Y 2030	75.82	23.21
F Y 2031-2035	259.92	198.70

### 35 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.

Particulars	As at 31-March-2025			As at 31-March-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	55,580.46	-	55,580.46	144,214.05	-	144,214.05
Bank Balance other than above	20,000.00	-	20,000.00	-	-	-
Loans	135,384.50	-	135,384.50	167,778.44	-	167,778.44
Investments	9,472.84	-	9,472.84	9,319.81	-	9,319.81
Other Financial Assets	7,241.51	-	7,241.51	6,586.71	-	6,586.71
<b>Total (A)</b>	<b>227,679.30</b>	<b>-</b>	<b>227,679.30</b>	<b>327,899.00</b>	<b>-</b>	<b>327,899.00</b>
<b>Non-Financial Assets</b>						
Deferred Tax Assets (Net)	-	19,039.48	19,039.48	-	16,755.69	16,755.69
Property, Plant and Equipment	-	83,982.34	83,982.34	-	86,010.62	86,010.62
Right-of-Use Asset	565.53	11,974.16	12,539.69	-	18,530.84	18,530.84
Other Intangible Assets	-	538.98	538.98	-	687.27	687.27
Other Non-Financial Assets	20,573.18	-	20,573.18	25,384.24	-	25,384.24
<b>Total (B)</b>	<b>21,138.71</b>	<b>115,534.97</b>	<b>136,673.68</b>	<b>25,384.24</b>	<b>121,984.42</b>	<b>147,368.65</b>
<b>Total Assets (A+B)</b>	<b>248,818.01</b>	<b>115,534.97</b>	<b>364,352.98</b>	<b>353,283.25</b>	<b>121,984.42</b>	<b>475,267.65</b>
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Trade Payables						
(A) total outstanding dues of micro enterprises and small enterprises; and	252.30	-	252.30	2,084.08	-	2,084.08
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	1,083.73	-	1,083.73	9,300.96	-	9,300.96
Debt Securities	9,350.00	116,400.00	125,750.00	66,815.00	115,600.00	182,415.00
Lease Liability	9.90	13,112.12	13,122.02	1,957.59	15,836.23	17,793.82
Other Financial Liabilities	14,898.87	-	14,898.87	9,643.58	-	9,643.58
<b>Total (C)</b>	<b>25,594.80</b>	<b>129,512.12</b>	<b>155,106.92</b>	<b>89,801.21</b>	<b>131,436.23</b>	<b>221,237.44</b>





## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Particulars	As at 31-March-2025			As at 31-March-2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Non-Financial Liabilities</b>						
Provisions	14,395.82	407.63	14,803.45	12,326.38	407.63	12,734.00
Other Non-Financial Liabilities	680.71	-	680.71	494.20	-	494.20
<b>Total (D)</b>	<b>15,076.53</b>	<b>407.63</b>	<b>15,484.16</b>	<b>12,820.58</b>	<b>407.63</b>	<b>13,228.21</b>
<b>Total Liabilities (C+D)</b>	<b>40,671.33</b>	<b>129,919.75</b>	<b>170,591.08</b>	<b>102,621.79</b>	<b>131,843.85</b>	<b>234,465.65</b>
<b>Net</b>	<b>208,146.69</b>	<b>(14,384.78)</b>	<b>193,761.90</b>	<b>250,661.45</b>	<b>(9,859.44)</b>	<b>240,802.01</b>

### 36 Related Parties Disclosures

Name of the Related Party

Relationship	Name of the party
Key Management Personnel	Kuzhupilly Govindamenon Anilkumar (Managing Director)
	Umadevi Anilkumar (Non-Executive Director)
	Saseendran Veliyath (Independent Director)
	Thainakathu Govindankutty Babu (Independent Director)
	Ambadath Aiyappan Balan (Independent Director)
	Shinto Stanly (Additional Independent Director)
	Madhavankutty Thekkedath (CFO)
	T V Vishak (CS) (Joined wef 27.12.2024)
	Manisha Menon(CS)(resigned wef 11.10.2024)
Subsidiary/Associates / Enterprises owned or significantly influenced by key management personnel or their relatives	ICL Fincorp Limited
	ICL Tours And Travels Private Limited
	ICL Chits Limited
	ICL Nidhi Limited
	ICL Medilab Private Limited
	Snow View Tex Collections Private Ltd
	Kichappus Entertainments
	Laneseda Vanijya Private Limited

Particulars	Key management Personal / Directors	
	31-March-2025	31-March-2024
<b>Income recorded in the books:</b>	<b>12,225.95</b>	<b>20,186.39</b>
ICL Fincorp Ltd	12,225.95	20,186.39
<b>Expenses recorded in the books:</b>		
<b>Remuneration to KMP</b>	<b>1,652.10</b>	<b>1,672.43</b>
Manisha Menon (CS)	627.10	1,074.10
T V Vishak (CS)	200.00	-
Madhavankutty Thekkedath (CFO)	825.00	598.33
<b>Sitting Fees paid to Directors</b>	<b>77.50</b>	<b>75.00</b>
Kuzhupilly Govindamenon Anilkumar	12.50	15.00
Umadevi Anilkumar	12.50	15.00
Saseendran Veliyath	15.00	15.00
Thainakathu Govindankutty Babu	10.00	15.00
Ambadath Aiyappan Balan	12.50	15.00
shinto stanly	15.00	-

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Particulars	Subsidiary/ Associates/ Enterprises owned or significantly influenced by key management personnel or their relatives	
	31-March-2025	31-March-2024
<b>Advance with interest receivables</b>		
<b>ICL Fincorp Limited</b>		
<b>Inter-corporate Deposit</b>		
Balance outstanding at the beginning	35,326.45	142,517.27
Amount Advanced	-	-
Interest Accrued	2,927.35	12,911.20
Amount Repayment	38,253.80	120,102.02
Balance outstanding with Interest Receivable at the period end	-	<b>35,326.45</b>
<b>Term-Loan</b>		
Balance outstanding at the beginning	44,734.17	55,298.30
Amount Advanced	61,150.00	81,500.00
Interest Accrued	9,278.03	7,275.19
Amount Repayment	115,162.20	99,339.32
Balance outstanding with Interest Receivable at the period end	-	<b>44,734.17</b>
<b>ICL Tours and Travels Pvt Ltd.</b>		
<b>Term-Loan</b>		
Balance outstanding at the beginning	-	-
Amount Advanced	-	60,000.00
Interest Accrued	-	1,834.52
Amount Repayment	-	61,834.52
Balance outstanding with Interest Receivable at the period end	-	-

Note:

- Related parties have been identified on the basis of declaration received by the management and other records available.
- The remuneration to the key managerial personnel does not include the provisions made for gratuity, as they are determined on actuarial basis for the company as a whole.

### 37 Draw Down From Reserves

Details of Draw down from reserves, if any, are provided in Statement of Changes in Equity to these financial statements.

### 38 Additional Disclosures

a) As Required by the Reserve Bank of India

	As at 31-Mar-2025	As at 31-Mar-2024
Total Gold loan portfolio	135,942.51	87,974.71
Total Assets	364,352.98	475,267.65
Gold loan portfolio as a percentage of total assets	<b>37.31%</b>	<b>18.51%</b>



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### i) Investments

Particulars	As at 31-March-2025	As at 31-March-2024
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	9,472.84	9,319.81
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	9,472.84	9,319.81
(b) Outside India	-	-
(2) Movement of provisions held towards depreciation on investments		
(i) Opening Balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off / write-back of excess provisions during the year	-	-
(iv) Closing Balance	-	-

### ii) Derivatives

#### a) Forward Rate Agreement / Interest Rate Swap

Sl. No.	Particulars	As at 31-March-2025	As at 31-March-2024
(i)	The notional principal of swap agreements	Nil	Nil
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Nil	Nil
(iii)	Collateral required by the applicable NBFC upon entering into swaps	Nil	Nil
(iv)	Concentration of credit risk arising from the swaps	Nil	Nil
(v)	The fair value of the swap book	Nil	Nil

#### b) Exchange Traded Interest Rate (IR) Derivatives

Sl. No.	Particulars	Amount
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Nil
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31 <sup>st</sup> March 2025 (instrument-wise)	Nil
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Nil
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Nil

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### c) Disclosures on Risk Exposure in Derivatives

Sl. No.	Particulars	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)		
	For Hedging	Nil	Nil
(ii)	Marked to Market Positions		
	a) Asset (+)	Nil	Nil
	b) Liability (-)	Nil	Nil
(iii)	Credit Exposure	Nil	Nil
(iv)	Unhedged Exposures	Nil	Nil

### iii) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

	1 to 7 days	8 to 14 days	15 days to 30/31 days	over 1 month upto 2 month	over 2 months upto 3 months	Over 3 month upto 6 month	Over 6 month & upto 1 year	Over 1 year & 3 year	Over 3 years & upto 5 years	Over 5 Years	Total
Debentures	-	-	-	6,000.00	3,350.00	1,000.00	40,567.00	55,010.00	19,023.00	800.00	125,750.00
Advances	10,697.86	2,545.61	11,604.71	38,387.21	67,725.83	345.10	315.94	4,320.26	-	-	135,942.51
Investments	-	-	-	-	-	-	-	9,472.84	-	-	9,472.84
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Sub Debt	-	-	-	-	-	-	-	-	-	-	-
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-

### iv) Exposures

#### a) Exposure to Real Estate Sector

Category	As at 31-March-2025	As at 31-March-2024
a) Direct Exposure		
i) Residential Mortgages -	Nil	Nil
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		
ii) Commercial Real Estate -	Nil	Nil
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall include non-fund based limits		
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -	Nil	Nil
a. Residential		
b. Commercial Real Estate		
<b>Total Exposure to Real Estate Sector</b>	<b>Nil</b>	<b>Nil</b>



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### b) Exposure to Capital Market

Particulars	As at 31-March-2025	As at 31-March-2024
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	9,472.84	9,319.81
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures and units of equity-oriented mutual funds;	Nil	Nil
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or equity oriented mutual funds are taken as primary security;	Nil	Nil
(iv) advances for any other purposes to the extent secured by collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	Nil	Nil
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
(vii) bridge loans to companies against expected equity flows / issues;	Nil	Nil
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	Nil	Nil
(ix) Financing to stockbrokers for margin trading	Nil	Nil
(x) x) All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	Nil	Nil
<b>Total Exposure to Capital Market</b>	Nil	Nil

### c) Sectoral Exposure

Sector	Current Year			Previous Year		
	**Total Exposure (includes on balance sheet and off- balancesheet exposure)	Gross NPA's	Percentage of Gross NPAs to total exposure in that sector	**Total Exposure (includes on balance sheet and off- balancesheet exposure)	Gross NPA's	Percentage of Gross NPAs to total exposure in that sector
<b>1. Agriculture and Allied Activities</b>	-	-	-	-	-	-
<b>2. Industry</b>	-	-	-	-	-	-
<b>Total of Industry</b>	-	-	-	-	-	-
<b>3. Services</b>	-	-	-	-	-	-
i. Transport Operators	-	-	-	-	-	-
ii. Loans to NBFC's	-	-	-	-	-	-
iii. Commercial Real estate	-	-	-	-	-	-
<b>Total of Services</b>	-	-	-	-	-	-

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

Sector	Current Year			Previous Year		
	**Total Exposure (includes on balance sheet and off-balancesheet exposure)	Gross NPA's	Percentage of Gross NPAs to total exposure in that sector	**Total Exposure (includes on balance sheet and off-balancesheet exposure)	Gross NPA's	Percentage of Gross NPAs to total exposure in that sector
<b>4. Personal Loans</b>						
i. Vehicle Loans	-	-	-	-	-	-
ii. Loans Against Security of Gold	135,942.51	4,356.84	3.20%	87,974.71	4,137.62	4.70%
iii. Others	-	-	-	-	-	-
<b>Total of Personal Loans</b>						
<b>5. Others if any (please specify)</b>	-	-	-	-	-	-
i. Other Loans						
<b>Total</b>	135,942.51	4,356.84		87,974.71	4,137.62	

d) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC -

The company has not exceeded the prudential exposure limit during the current and previous limit

e) Unsecured Advances

Type of Borrower	Nature	Loan Amount	Loan Outstanding
ICL Fincorp Limited	Inter-corporate loan	206,500.00	-
ICL Fincorp Limited	Term Loan	100,000.00	-
<b>Total</b>		<b>306,500.00</b>	<b>-</b>

v) Miscellaneous

a) Disclosure of penalties imposed by RBI and other regulators - NIL

b) Ratings assigned by credit rating agencies and migration of ratings during the year

Instrument / Facility	Amount (₹ Crore)	Ratings
Non-Convertible Debentures (NCDs)	0.59	IVR BB Stable (IVR Double B -(INC))
Proposed Non-Convertible Debentures (NCDs)	99.41	IVR BB Stable (IVR Double B -(INC))
<b>Total</b>	<b>100.00</b>	

vi) Additional Disclosures

a) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head expenditure in Profit and Loss Account	As at 31-March-2025	As at 31-March-2024
Provision for depreciation on Investment	-	-
Provision towards NPA	558.01	230.39
Provision made towards Income tax	-	-
Other Provision and Contingencies (with details) -		
(a) Provision for depreciation on Property, Plant and Equipment & Intangible Assets	9,142.75	3,325.74
(b) Provision for Gratuity	425.59	278.98
Provision for Standard Assets	25.84	14.07





## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### b) Concentration of Deposits, Advances, Exposures and NPAs

Concentration of Deposits (for deposit taking NBFCs)	As at 31-Mar-2025	As at 31-Mar-2024
(i) Total Deposits of twenty largest depositors		
(ii) Percentage of Deposits of twenty largest depositors to Total Deposits of the deposit taking NBFC.		
<b>Concentration of Advances</b>		
(i) Total Advances to twenty largest borrowers	7,673.05	273,751.23
(ii) Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	5.57%	76.53%
<b>Concentration of Exposures</b>		
(i) Total Exposure to twenty largest borrowers / customers	7,986.05	85,330.32
(ii) Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	5.87%	50.79%
<b>Concentration of NPAs</b>		
(i) Total Exposure to top four NPA accounts	985.40	1,008.00
<b>Concentration of NPAs</b>		
(i) Top 10 Borrowings as on reporting date	17,801.00	27,851.00
(ii) Percentage of Top 10 Borrowings to total borrowings of the Company as on the reporting date	14.16%	15.24%

### c) Funding concentration based on significant counter party (Both deposits and borrowings) (Guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019)

Particular	As at 31-Mar-2025	As at 31-Mar-2024
<b>Borrowings</b>		
Number of Significant counter parties	-	1.00
Amount	-	6,000.00
Percentage of funding concentration to total deposits	Nil	Nil
Percentage of funding concentration to total liabilities	0.00%	3.28%

### d) Funding Concentration based on significant Instrument / Product (Guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019)

Name of Instrument / Product	As at 31-Mar-2025	% Of Total Liabilities	As at 31-Mar-2024	% Of Total Liabilities
Secured NCD	125,750.00	100.00%	182,415.00	100.00%
Borrowings from Banks & FI's	-	0.00%	-	0.00%
Subordinated Debt	-	0.00%	-	0.00%
CP	-	0.00%	-	0.00%
ECB - Senior Secured Notes	-	0.00%	-	0.00%
Other Loans	-	0.00%	-	0.00%
<b>Total</b>	<b>125,750.00</b>	<b>100%</b>	<b>182,415.00</b>	<b>100%</b>

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

e) Stock Ratios (Guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019)

Stock Ratio	As at 31-Mar-2025	As at 31-Mar-2024
Commercial Paper as a % of Total Public Funds	-	-
Commercial Paper as a % of Total Liabilities	-	-
Commercial Paper as a % of Total Assets	-	-
Non Convertible Debentures(NCDs)(Original Maturity of Less than one year) as a % of Total Public Funds	-	-
Non Convertible Debentures(NCDs)(Original Maturity of Less than one year) as a % of Total Liabilities	-	-
Non Convertible Debentures(NCDs)(Original Maturity of Less than one year) as a % of Total Assets	-	-
Other Short Term Liabilities as a % of Total Public Funds	40.49%	36.63%
Other Short Term Liabilities as a % of Total Liabilities	13.97%	36.63%
Other Short Term Liabilities as a % of Total Assets	13.97%	36.63%

f) Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		As at 31-Mar-2025	As at 31-Mar-2024
1	Agriculture & allied activities	0.00%	0.00%
2	MSME	0.00%	0.00%
3	Corporate borrowers	0.00%	0.00%
4	Services	0.00%	0.00%
5	Unsecured personal loans	0.00%	0.00%
6	Auto loans	0.00%	0.00%
7	Gold Loans	3.20%	4.96%
8	Business Loans	0.00%	0.00%
9	Other loans	0.00%	0.00%

c) Movement of NPAs (As per IRACP norms)

Particulars	As at 31-March-2025	As at 31-March-2024
(i) Net NPAs to Net Advances (%)	2.40%	2.16%
(ii) Movement of NPAs (Gross)		
(a) Opening Balance	4,137.62	4,218.11
(b) Additions during the year	1,696.61	2,856.17
(c) Reductions during the year	1,847.22	2,936.66
(d) Closing Balance	3,987.00	4,137.62
(iii) Movement of Net NPAs		
(a) Opening Balance	3,595.71	3,796.30
(b) Additions during the year	1,526.95	2,570.55
(c) Reductions during the year	1,891.54	2,771.14
(d) Closing Balance	3,231.12	3,595.71
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening Balance	541.91	421.81
(b) Provisions made during the year	398.70	413.76
(c) Write-off / write back of excess provisions	184.72	293.67
(d) Closing Balance	755.89	541.91



## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### h) Disclosure of Complaints

Sl. No.	Particulars	As at 31-Mar-2025	As at 31-Mar-2024
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	-	-
3	Number of complaints disposed during the year	-	-
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	-
5.2	5.2 Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	-	-
5.3	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.\* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 20

### CUSTOMER COMPLAINTS REPORT

Financial Year	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
2024-25	Cibil Issue Related and Experian Issue	-	-	-	-	-
	Loans and Advances	-	-	-	-	-
	Other products and services	-	-	-	-	-
	Others	-	-	-	-	-
2023-24	Cibil Issue Related and Experian Issue	-	-	-	-	-
	Loans and Advances	-	-	-	-	-
	Other products and services	-	-	-	-	-
	Others	-	-	-	-	-

i) Breaches in terms of covenants in respect of loans availed by the NBFC or debt securities issued by the NBFC including incidence/s of default.

There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2025 and March 31, 2024.

j) Unhedged foreign currency exposure

The company does not have any Unhedged foreign currency exposure as on 31 March 2025 and March 31, 2024.

## Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

### k) Intra-group exposures

Particular	As at 31-Mar-2025	As at 31-Mar-2024
i) Total amount of intra-group exposure	Nil	Nil
ii) Total amount of top 20 intra-group exposure	Nil	Nil
iii) Percentage of intra-group exposure to total exposure of NBFC on borrowers/customers	Nil	Nil

## 38 Additional Disclosures

### b) Additional Regulatory Information

Loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are a) Repayable on demand or b) Without specifying any terms or period of repayment

Type of Borrower	As at 31-March-2025		As at 31-March-2024	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loan	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loan
Promoter	-	0.00%	35,326.45	21.03%
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	-	-

### Capital

Particulars	As at 31-March-2025	As at 31-March-2024
a) Capital to risk-weighted assets ratio (CRAR)	63.97%	49.04%
b) Tier I CRAR	63.96%	49.04%
c) Tier II CRAR	0.01%	0.00%
d) Liquidity Coverage Ratio:		
Current Ratio	6.12%	3.50%
Quick Ratio	1.78%	1.58%
Cash Ratio	1.60%	1.52%
e) Amount of subordinated debt raised as Tier-II capital	Nil	Nil
f) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

## 39 Segment information

As the Company has no activities other than those of an investment company, the segment reporting under Indian Accounting Standard Ind AS 108 - 'Operating Segments' is not applicable. The Company does not have any reportable geographical segment.

## 40 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company has adequate cash and cash equivalents. The company monitors its capital by a careful scrutiny of the cash and cash equivalents, and a regular assessment of any debt requirements.



# Notes to the Financial Statements for the year ended 31-March-2025

(All amounts are in Thousands of Indian Rupees unless otherwise stated)

## 41 Events after Reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

## 42 Utilisation of Proceeds

During the period, the Company has raised ₹ 1,01,50,000/- (Previous Year: ₹13,45,05,000/-) by way of secured non-convertible debenture and same has been utilised to meet the working capital requirements of the Company.

## 43 Disclosure on the following matters required under schedule III as amended not being applicable in case of the company, same are not covered such as :

- No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- No registration or satisfaction of charges are pending to be filed with ROC.
- The company has not entered into any scheme of arrangement.
- There are no transactions which have not been recorded in the books.
- The company has not traded or invested in crypto currency or virtual currency during the financial year.
- The company does not have any transaction with companies struck off under section 248 or the Companies Act 2013.
- Utilisation of Borrowed funds or share premium :

No funds have been advanced or loaned or invested (either borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the company from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## 44 Fraud

During the period the Company has reported a fraud case, where gold loan related misappropriations have occurred for amounts aggregating ₹1,83,000 and the Company has created provision for the same in the books of accounts.

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

As per our report of even date

**For Mohandas and Associates**

Chartered Accountants

ICAI Firm Reg No.: 0021165

**Mohandas Anchery**

[Partner]

Membership no.: 036726

Place: Thrissur

Date:15-05-2025

For and on behalf of the board of directors of

**Salem Erode Investments Limited**

**K G Anilkumar**

[Managing Director]

(DIN:00766739)

**Madhavankutty Thekkedath**

[Chief Financial Officer]

Place: Irinjalakuda

Date:15-05-2025

**Umadevi Anilkumar**

[Director]

(DIN: 06434467)

**Visakh T V**

[Company Secretary]



### **Salem Erode Investments Limited**

Second Floor, V.K.K. Building,  
Irinjalakuda Main Road  
Thrissur, Kerala – 680121

**Tel:** 0480282 8071

**E-mail:** [cs@salemerode.com](mailto:cs@salemerode.com)