

17TH
ANNUAL
REPORT
2023-24



PARAS

**Pridhvi Asset Reconstruction
And Securitisation Company Limited**

Board of Directors



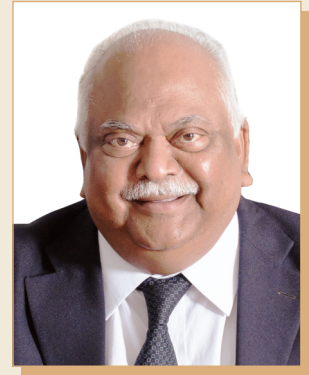
Dr. Pamidi Kotaiah
Chairperson



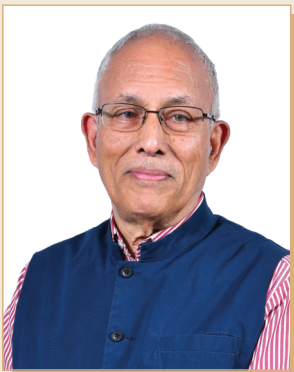
Sri. Vepa Kamesam
Director



Ms. K. Sujatha Rao
Director



Sri M. Siva Rama Vara Prasad
Director



Sri. Richard B Saldanha
Director



Sri. Koteswara Rao SSR
Director



Sri. N. Ramesh Kumar
Director



Sri. R. Mallikarjuna
Managing Director & CEO



Sri. Ch. Rama Prasad
Advisor

Senior Executives



Sri. K.V. Ramakrishna Prasad
Vice President



Sri. V.S. Ranga Rao
Vice President & CFO



Sri. P. Ramakrishna Chowdary
Vice President

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Auditors

M/s. C V Ramana Rao & Co.,
Chartered Accountants
D.No.1-88-19, Plot No.135/4, Sector-4,
MVP Colony, Visakhapatnam – 530 017, A.P. India
Tel: (91-891) 2754071

Bankers

Union of Bank of India
Mid Corporate Branch
Panjagutta, Hyderabad - 500 033

Registered & Corporate Office

D.No: 1-55, Raja Praasadamu, 4th Floor, Masjid Banda Road, Kondapur, Hyderabad – 500 084
Tel: 040-41413333 Email: co@paras.org.in
Web: www.paras.org.in

The Philosophy....

Vision

To create value to the stakeholders through focused and pro-active approach in revival and reconstruction of impaired assets.

Mission

- To foster innovation and novelty in revival and resolution of stressed assets through application of best legal, financial and managerial skills.
- To contribute in developing a strong market for distressed assets.
- To build a strong brand, recognized for its transparency, ethical practices and efficiency in resolution of stressed assets.
- To grow constantly in its financial, human and intellectual capital to serve the growing demands of the industry.

Values

- **Efficient Management**

The Promoters, Directors and the Management team work with a deep sense of understanding and commitment in achieving Company's objectives.

- **Service**

To respond to clients' needs with passion; adding qualitative and quantitative value to the service.

- **Transparency**

To build a strong brand recognized for its transparency, ethical practices and efficiency in resolution of stressed assets.

- **Professional Excellence**

To act responsibly with high degree of honesty and integrity and to strive for personal and professional excellence.

- **Performance**

To provide effective, efficient and accountable support and be responsive to change, develop and execute plans that will deliver best results.

Journey thus far

(₹ in Lakhs)

Parameter	2019-20	2020-21	2021-22	2022-23	2023-24
Paidup Equity	10000	10000	10000	10000	10000
Tangible Networth	11221	12547	13129	13780	21432
Assets Acquired	13039	47639	122580	549527	215113
Acquisition Cost	8068	35000	44344	72227	116596
SRs issued during the year	8068	35000	44344	72227	116596
SRs redeemed during the year	5770	1655	5588	64558	92260
Total Income	1628	2818	3312	3592	8345
Profit Before Tax	145	1792	2116	888	5574
Dividend %	-	10	-	-	-
Earnings per Share (₹)	0.75	13.26	15.82	6.50	41.53

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Company will be held on Friday, the 27th September, 2024 at 5.30 pm at Door No.1-55, 6th Floor, 'Raja Praasadamu', Masjid Banda Road, Kondapur, Hyderabad – 500084 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement for the year ended 31st March, 2024 together with Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Sri. M. Siva Rama Vara Prasad (DIN No. 00170919), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Reclassification of Authorised Share Capital of the Company and consequent amendment to Memorandum of Association:**

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

"RESOLVED THAT pursuant to the provisions of Section 13 and Section 61 and other applicable provisions, including any statutory modification thereto or re-enactment thereof for the time being in force, the Authorized Share Capital of the company be and is hereby reclassified:

From ₹ 200,00,00,000 (Rupees Two Hundred Crores Only) divided into 2,00,00,000 (Two Crores) Equity Shares of ₹ 100/- each.

To ₹ 175,00,00,000 (Rupees One Hundred and Seventy-Five Crores Only) divided into 1,75,00,000 (One Crore Seventy-Five Lakhs) Equity Shares of ₹ 100/- each and ₹ 25,00,00,000 (Rupees Twenty-Five Crores Only) divided into ₹ 25,00,000 (Twenty-Five Lakhs) Preference Shares of ₹ 100/- each."

"RESOLVED FURTHER THAT the Memorandum of Association of the Company be altered in the following manner i.e. existing Clause V of the Memorandum of Association be deleted and the same be substituted with the following new clause as Clause V:

" V. The Authorised Share Capital of the Company is ₹ 200,00,00,000 (Rupees Two Hundred Crores Only) comprising of ₹ 175,00,00,000 (Rupees One Hundred and Seventy-Five Crores Only) divided into 1,75,00,000 Equity Shares of face value of ₹ 100/- (Rupees One Hundred Only) each and ₹ 25,00,00,000 (Rupees Twenty-Five Crores Only) divided into 25,00,000 Preference Shares of face value of ₹ 100/- (Rupees One Hundred Only) each."

"RESOLVED FURTHER THAT any one director of the Company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution."

4. Appointment of Sri. R. Mallikarjuna as a Director of the Company

To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution:

“RESOLVED THAT Sri. R. Mallikarjuna (DIN No. 10428677) who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company with effect from 4th April, 2024 and who holds office up to the date of this Annual General Meeting of the company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company and who shall not be liable to retire by rotation.”

5. Appointment of Sri. R. Mallikarjuna as Managing Director & CEO of the Company

To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with provisions of Schedule V of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, further pursuant to the recommendations of the Nomination and Remuneration Committee and Board of Directors, Sri. R. Mallikarjuna (DIN No. 10428677) be and is hereby appointed as Managing Director & CEO of the Company w.e.f. 4th April, 2024 upto 21st September, 2027.”

“RESOLVED FURTHER THAT the terms and conditions of appointment of Sri.R.Mallikarjuna as Managing Director & CEO are as under:

I. Powers and Duties

The Managing Director & CEO shall manage the day-to-day affairs of the company under the superintendence, guidance, control and direction of the Board of Directors of the company and shall exercise such powers of management of the company, as may be delegated to him by the Board of Directors from time to time.

II. Remuneration

Sri. R. Mallikarjuna be entitled to remuneration and benefits as mentioned below as per the Companies Act, 2013 and read with Rules specified thereunder.

- Gross salary – ₹ 2.75 Lakhs per month (during his tenure)
- Company car with reimbursement of driver's salary and maintenance expenditure
- Mobile bill reimbursement (actual)
- Ex-gratia as may be declared by the Board
- Other terms as per HR Policy of the company.”

“RESOLVED FURTHER THAT the remuneration fixed by the Board of Directors is the minimum remuneration even in case of loss or inadequacy of profits in any financial year as per the provisions of Schedule V to the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution.”

6. Appointment of Sri. N. Ramesh Kumar as a Director of the Company

To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder as amended or re-enacted from time to time, read with Schedule IV to the Act, 2013, Sri. N. Ramesh Kumar (DIN No. 00964290), was appointed by the Board of Directors as an Additional Director of the Company on 10th June, 2024 and holds office till the conclusion of this Annual General Meeting and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 and is eligible for appointment under the provisions of the Companies Act, 2013 and Rules made thereunder, approval of the Members of the Company be and is hereby accorded for appointment of Sri. N. Ramesh Kumar as an Independent Non-Executive Director of the Company, to hold office for five consecutive years on the Board of the Company from 10th June, 2024 to 9th June, 2029, whose term shall not be subject to retirement by rotation.”

Notes:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY OR PROXIES WHO CAN ATTEND AND VOTE INSTEAD OF THE MEMBER AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2) A person can act as proxy on behalf of members holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- 3) The Proxy Form duly completed must be lodged at the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.
- 4) Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- 5) In terms of provisions of Section 152 of the Act, Sri. M. Siva Rama Vara Prasad, Director, retires by rotation at the Meeting set out in the Notice. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his re-appointment.
- 6) In terms of provisions of Section 139, 142 and all other applicable provisions of the Act, M/s. C.V.Ramana Rao & Co., Chartered Accountants were appointed as statutory auditors in the Annual General Meeting held on 5th September, 2022 for a second term of five years i.e., up to the Annual General Meeting to be held in the year 2027.
- 7) Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
- 8) Members holding physical shares are requested to intimate immediately any change in their address and updated email address by writing to the Company with details of registered folio number for future communication.



- 9) Members holding physical shares are requested to convert their shares into dematerialized form. As per the notification of the Ministry of Corporate Affairs vide no. G.S.R. 853 (E) dated 10th September, 2018, unless the shares are in the dematerialized form the request for transfer of shares shall not be accepted and processed.
- 10) Members holding shares in dematerialized form are requested to intimate any changes pertaining to their bank details, mandates, nominations, change of address, contact details, etc. to their Depository Participant (DP).
- 11) Attendance slip, proxy form and the route map showing directions to reach the venue of the Annual General Meeting are annexed hereto.

Registered Office:

D.No.1-55, Raja Praasadamu,
4th Floor, Wing-I,
Masjid Banda Road, Kondapur,
Hyderabad – 500 084.
CIN: U67120TG2007PLC053327
Website: www.paras.org.in
Email id: co@paras.org.in

Dated: 10.06.2024

By order of the Board

Dr. Pamidi Kotaiah
Chairperson
DIN No. 00038420

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“Act”)

The following Statement set out all material facts relating to Item No.3 to 6 mentioned in the accompanying Notice.

Item No. 3

Our company is raising non-convertible debentures to meet the funds requirement for acquisitions of debts, apart from availing the secured overdraft facility of ₹ 50 crores from Union Bank of India. As there are a few investors who are willing to invest in our company in preference shares, the Board of Directors, in their meeting held on 10.06.2024, proposed reclassification of Authorised Share Capital of the company as mentioned in the resolution set out in item no. 3 of this notice.

The Articles of Association of the company permit the company to alter its Authorised Share Capital. In accordance with Sections 13 and 61 of the Companies Act, 2013 (the Act) the company can alter its Authorized Share Capital with the approval of the members of the company by passing a Special Resolution.

In order to alter the Authorised Share Capital of the company, the Memorandum of Association will also undergo a change, subject to the approval of the members by way of a Special resolution, in terms of Section 13 of the Companies Act, 2013.

The Board at its meeting held on 10.06.2024, considered and approved the reclassification of authorised share capital of the company and consequent amendment to the Memorandum of Association of the company, subject to approval of shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives is interested in the above resolution except to the extent of their shareholding.

The Board recommends the resolution set forth in Item No. 3 of the Notice for approval of the Members.

Item No. 4 and 5:

Pursuant to the provisions of Sections 149, 161(1) and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder, Sri. R. Mallikarjuna (DIN No. 10428677) who was appointed by the Board of Directors, with the approval of the Reserve Bank of India, as Additional Director of the Company with effect from 04.04.2024 who holds office up to the conclusion of this Annual General Meeting. The Company has received consent letter from Sri. R. Mallikarjuna to act as a Director, Managing Director & CEO of the Company.

Sri. R. Mallikarjuna is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time.

Considering his rich experience and knowledge in financial and administrative matters and since his association would be of immense benefit to the Company, the Nomination and Remuneration Committee and the Board of Directors in their meetings held on 14.03.2024 recommended for his appointment. Accordingly, consent of the Members is sought for passing Ordinary Resolution as set out in items 6 and 7 of the Notice for appointment of Sri.R. Mallikarjuna as Director and Managing Director & CEO of the Company with effect from 04.04.2024 up to 21.09.2027 and is not liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The terms and conditions of appointment of Sri. R. Mallikarjuna as Managing Director & CEO are as under:

I. Powers and Duties

The Managing Director & CEO shall manage the day-to-day affairs of the company under the superintendence, guidance, control and direction of the Board of Directors of the company and shall exercise such powers of management of the company, as may be delegated to him by the Board of Directors from time to time."

II. Remuneration

Sri. R. Mallikarjuna be entitled to remuneration and benefits as mentioned below as per the Companies Act, 2013 and read with Rules specified thereunder.

- Gross salary – ₹ 2.75 Lakhs per month (during his tenure)
- Company Car with reimbursement of Driver's salary and maintenance expenditure
- Mobile bill reimbursement (actual)
- Ex-gratia as may be declared by the Board
- Other terms as per HR Policy of the company

None of the other Directors, Key Managerial Personnel of the company or their relatives, except Sri. R. Mallikarjuna is interested in the above resolutions.

The Board recommends the resolution set forth in Item No. 4 and 5 of the Notice for approval of the Members.

Item No. 6:

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, Sri. N. Ramesh Kumar (DIN No. 10506458) was appointed as an Additional Director of the Company by the Board in its meeting held on 10.06.2024, with the recommendations of the Nomination and Remuneration Committee and approval of the Reserve Bank of India vide its letter dated 02.05.2024, and who holds office up to the conclusion of this Annual General Meeting.

The Company has received declarations from Sri. N. Ramesh Kumar confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and being eligible for appointment as an Independent Director provided his consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time.

Sri. N. Ramesh Kumar is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time.

Sri. Ramesh Kumar has served in the Government of Andhra Pradesh in various capacities including as Principal Secretary, Department of Finance. His rich experience in financial matters, projects evaluation and general administration would provide guidance to the company. The Board of Directors in their meeting held on 10.06.2024, consider that his association would be of immense benefit to the Company. Accordingly, consent of the Members is sought for passing Ordinary Resolution as set out in items 6 of the Notice for appointment of Sri. N. Ramesh Kumar as an Independent Non-Executive Director of the Company and is not liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.



None of the Directors, Key Managerial Personnel of the Company or their relatives, except Sri N. Ramesh Kumar being appointee, and his relatives to the extent of their shareholding interest, if any, in the company may be deemed interested in the resolution set out at Item No. 6 of the Notice with regard to his appointment.

The Board recommends the resolution set forth in Item No.6 of the Notice for approval of the members.

Registered Office:

D.No.1-55, Raja Praasadamu,
4th Floor, Wing-I,
Masjid Banda Road, Kondapur,
Hyderabad – 500 084.
CIN: U67120TG2007PLC053327
Website: www.paras.org.in
Email id: co@paras.org.in

By order of the Board

Dr. Pamidi Kotaiah
Chairperson
DIN No. 00038420

Dated: 10.06.2024

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 17th Annual Report together with the audited statements of accounts of the Company for the financial year ended 31st March, 2024.

Financial Results

The performance of the Company for the year ended 31st March, 2024 is summarized below:

(₹ in Lakhs)

Particulars	2023-24	2022-23
Revenue from operations	8262.39	3539.18
Other income	82.71	52.72
Total Income	8345.10	3591.90
Total Expenditure	2770.62	2703.45
Profit Before Tax and Exceptional items (PBT)	5574.48	888.45
Less: Provision for Tax	1421.74	238.03
Profit after Tax (PAT)	4152.74	650.42
Surplus brought forward from previous year	1429.55	1629.13
Less: Dividend paid	-	-
Profit available for Appropriation	5582.29	2279.55
Appropriations: Transfer to Debenture Redemption Reserve	240.00	350.00
Transfer to general reserve	4000.00	500.00
Balance carried to Balance Sheet	1342.29	1429.55
Earnings Per Share of Rs.100 (in Rupees)	41.53	6.50

As can be seen from the data provided above, your company has shown an all-round growth in all parameters of business during FY 2023-24. The Company's gross income is ₹ 8345.10 lakhs as against ₹ 3591.90 lakhs in the previous year, showing an increase of over 132%. Profit Before Tax (PBT) is ₹ 5574.48 lakhs and net profit after tax for the year is ₹ 4152.74 lakhs as against ₹ 888.45 lakhs and ₹ 650.42 lakhs respectively in the previous year. Year on year PAT increased by 538%. The Company's net worth as on 31st March, 2024 stood at ₹ 21432.29 lakhs as against ₹ 13779.55 lakhs at the end of the previous year.

Dividend

The net worth of the company as at 31st March, 2024 is ₹ 214.32 crores. To augment the capital resources of the company to comply with Reserve Bank of India stipulation of achieving a net owned fund of ₹ 300 crores by March 2026, your directors have not proposed dividend for the financial year ended 31st March, 2024.

Transfer to Reserves

Your directors recommended to transfer ₹ 240 lakhs to Debenture Redemption Reserve and ₹ 4000 lakhs to general reserve for FY 2023-24. The net surplus of ₹1342.29 lakhs is retained in the Statement of Profit and Loss.

Share Capital

During FY 2023-24, your company had increased the authorised capital from ₹150 crores to ₹ 200 crores, with the approval of the members in the Annual General Meeting held on 04.09.2023. Your company has offered 20,58,824 equity shares of face value ₹ 100/- each, at ₹170 per share. (Premium of ₹ 70/- per share) on preferential allotment through private placement to existing shareholders. The amount of ₹ 35 crores received towards share allotment is shown in Share application money account, pending approval from the RBI.

The Board proposed to reclassify the Authorised Share Capital of the Company of ₹ 200 crores (2,00,00,000 shares @ ₹ 100/- each) to Rs.175 crores (1,75,00,000 shares @ ₹100/- each) towards equity shares and ₹ 25 crores towards preference shares (25,00,000 shares @ ₹100/- each). The resolution seeking approval of the Members for reclassification of the Authorised Share Capital is incorporated in the notice of the forthcoming Annual General Meeting of the Company along with an explanatory statement.

Performance of the Company

A summary of the debts acquired and realized during FY 2023-24 is given below. A detailed analysis of the performance of the company is discussed in the management discussion and analysis.

(₹ in crores)

Acquisitions	2023-24	2022-23
Number of seller Banks/FIs	6	6
Debt acquired	2151.13	5495.27
Cost of acquisition	1165.96	722.27

Redemptions	2023-24	2022-23
Number of Accounts	23	25
Amount redeemed	877.59	645.58

Management Discussion and Analysis

Acquisitions: During FY 2023-24 banks/FIs have offered for sale over 12,21,028 accounts with principal debt outstanding of ₹1,55,083 crores. Most of the accounts are secured/unsecured retail loans consisting of housing, education, consumer goods loans, clean loans, etc. put for sale on portfolio basis in large baskets spread across the country. Your company placed bids for a bid value of ₹1321 crores and was successful in acquiring corporate and retail portfolios at an acquisition cost of ₹1165.96 crores. Corporate and MSME loans for ₹ 574.88 crores and retail loans at an acquisition cost of ₹ 591.08 crores. The acquisitions in the previous year amounted to ₹ 722.27 crores. Bids are placed by your company after a scrutiny of the account in the information memoranda provided by the banks as well as at the time of due diligence, taking into consideration the realizable value of securities, stage of litigation, etc.

During FY 2023-24, your company has acquired debts of large corporates from Banks/NBFCs in SR structure with 15% investment. The company has also acquired large pools of retail accounts from NBFCs and Small Finance Banks on SR structure. The resolution of debts in the accounts acquired is in progress, through restructuring, adopting innovative strategies. In the present scenario of asset reconstruction business, large value assets are available for acquisition on cash basis from Banks and FIs. The management of your company is confident of closing more deals in the days to come with investor participation. Since your company has made a beginning in acquisition of large value assets, the process would continue in the current year also, subject to maintaining capital to risk assets ratio as per guidelines.

During FY 2023-24, several NBFCs and Banks have come up with sale of retail loans in large pools of accounts. Your company has acquired retail assets from Banks / NBFCs.

Recoveries:

FY 2023-24 has been a remarkable year for your company in terms of recovery of debts. The recovery in accounts amounted to ₹ 1069 crores as against ₹ 910.52 crores in the previous year. The debt of a large corporate, acquired in the previous year was fully resolved during the year. Further, in most of the retail loan portfolios the recovery performance has been good and this has facilitated in deployment of funds in a judicious manner. The recoveries resulted in partial redemption in 15 trust accounts amounting to ₹138.17 crores and full redemption in 8 trust accounts, amounting to ₹ 739.42 crores.

Profitability:

During FY 2023-24 the gross revenue was ₹ 83.45 crores (₹ 35.92 crores in the previous year). The profit before tax was ₹ 55.74 crores and net profit after tax ₹ 41.53 crores. Due to the consistent efforts of the management, the company could recover ₹ 9.96 crores from write offs/provisions made in earlier years.

Provisioning requirements:

During the year your company made provisions for ₹12.38 crores towards technical write off and provisions in certain accounts to comply with the guidelines of the Reserve Bank of India (₹14.75 crores in the previous year). The Management of your company is making efforts to recover amounts in accounts where security receipts are written off or provisions made.

Future Prospects:

Despite sale of a large number of non-performing debts to ARCs, sufficient stock of bad debts is still lying in the books of lenders. ARCs must identify suitable accounts which meet their requirements for acquisition. In the last five years, several changes have taken place in all spheres of asset reconstruction business, be it acquisitions, resolution and recovery, revenue recognition, etc. Business has become more competitive, and it is necessary that ARCs align their strategies to suit the present trends. It is imperative that the asset reconstruction companies associate and partner with FPIs, AIFs and large fund houses, not only for resource mobilization but also to achieve higher profitability through suitable debt restructure mechanism. The traditional way of acquiring assets on SR basis and resolution through legal measures has given way to process of acquisition of debts with proper resolution and restructuring plan with a time bound exit route in the back drop. Acquisition of debts with a proper resolution/restructuring plan with a time bound exit route in the backdrop is the order of the day. ARCs must acquire skills in this direction to sustain their profitability levels.

Risk Management

In the context of Asset Reconstruction Companies, the following 4 key challenges emerge, namely:

1. Availability of resources for acquisition of large debts
2. Acquisition of assets at reserve prices fixed by selling banks
3. Resolution of stressed assets on account of delays in resolving legal issues
4. Lack of well-developed vibrant market for distressed assets

Your company has acquired large value assets through issue of NCDs and resolved the debts. Your company is confident of making more such deals which would help in acquisition of large value accounts. The prudent and cautious approach of the company while raising resources and in placing bids will minimize risk in acquisition of stressed assets at realistic values.

Despite stringent provisions under SARFAESI Act and IB Code, much needs to be done to speed up resolution process as per timelines stipulated in the statute. This is due to the attitude of the borrowers to litigate continuously taking advantage of the lacuna in legal process. In DRTs and DRATs also matters are pending for a very long period impacting the performance of ARCs. On account of such delays in realizations, there is considerable erosion in the value of underlying assets resulting in lower realizations. Your company is taking necessary steps to resolve legal issues by engaging senior counsel wherever required.

Unlike well-developed and vibrant markets for stressed assets in western countries, the scope for sale of distressed assets is very limited in our country. There is a need for modifying the existing mechanism through suitable legal intervention to facilitate quick resolution of debts so that a secondary market for trading in security receipts can be developed to facilitate wider participation in acquisition of non-performing assets.

Internal financial Control and its adequacy

Your Company has aligned its current systems of internal financial control with the requirement of Companies Act 2013, on lines of accepted accounting principles. The internal control is intended to increase transparency and accountability in assuring achievement of an organization's objectives in operational effectiveness and efficiency.

Your Company's internal controls are commensurate with its size and the nature of operations. These were designed to provide reasonable assurance regarding recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets, executing transactions with proper authorization, and ensuring compliance with corporate policies. Your Company has a well-defined delegation of powers with authority and all processes and controls are aligned with the best practices.

Corporate Governance

Corporate governance is the system by which companies are directed and controlled to facilitate effective, entrepreneurial, and prudent management that can deliver the long-term success of the Company. The Board of Directors is responsible for the governance of the Company. Your Company's philosophy on corporate governance ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, and investors. Your Company has a legacy of fair, transparent and ethical governance practices.

Board of Directors and Committees of the Board

The Board of your Company formulates and evaluates policies and provides strategic direction to the management in achieving corporate objectives and further ensures statutory and regulatory compliances, safeguarding the interest of the stakeholders.

The Board has constituted four committees, namely Audit Committee, Executive Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

The Board met 7 times during the year on 26.06.2023, 04.09.2023, 24.10.2023, 04.12.2023, 28.12.2023, 16.02.2024 and 14.03.2024.

Attendance of Directors at Board Meetings during FY 2023-24 and at the last Annual General meeting held on 04.09.2023:

Name of the Director	Category	Attendance at meetings during 2023-24	
		Board Meetings	Last AGM
Dr. Pamidi Kotaiah, Chairperson	Non-Executive Independent Director	7	Yes
Sri. Vepa Kamesam	Non-Executive Independent Director	7	No
Ms. K. Sujatha Rao	Non-Executive Independent Director	7	Yes
Sri. Richard B Saldanha	Non-Executive Independent Director	7	Yes
Sri. Koteswara Rao SSR	Non-Executive Independent Director	7	Yes
Sri. M. Siva Rama Vara Prasad	Non-Executive Promoter Director	7	Yes
Sri. M. Gopala Krishnaiah*	Executive Whole-time Director	-	-
Sri. Ch. Rama Prasad [#]	Executive Managing Director & CEO	7	Yes
Sri. R. Mallikarjuna [@]	Executive Managing Director & CEO	-	-

*Sri M Gopalakrishnaiah resigned from the company w.e.f. 10.04.2023.

[#]Sri Ch. Rama Prasad was appointed as Managing Director & CEO w.e.f. 11.04.2023 and retired on 03.04.2024.

[@]Sri R. Mallikarjuna was appointed as Managing Director & CEO w.e.f. 04.04.2024.

No Director is related to any other Director on the Board in terms of the definition of 'Relative' given under the Companies Act, 2013.

Audit Committee

1. Sri. Vepa Kamesam – Chairperson, Non-Executive Independent Director
2. Sri Koteswara Rao SSR, Non-Executive Independent Director
3. Ms. K. Sujatha Rao, Non-Executive Independent Director
4. Sri. M. Siva Rama Vara Prasad, Non-Executive Promoter Director

The Audit Committee, inter-alia, oversees the financial reporting process aimed at ensuring correctness, fairness, sufficiency and credibility of financial statements, recommendation of appointment of statutory auditors and their remuneration, review of quarterly and annual financial statements before submission to the Board, review of adequacy of internal control systems and internal audit functions.

The Audit Committee met 4 times during the financial year 2023-24 on 26.06.2023, 04.09.2023, 04.12.2023 and 14.03.2024. The members were present in all meetings.

Executive Committee

1. Dr. Pamidi Kotaiah - Chairperson, Non-Executive Independent Director
2. Sri. M. Siva Rama Vara Prasad, Non-Executive Promoter Director
3. Sri. Richard B Saldanha, Non-Executive Independent Director
4. Sri. Koteswara Rao SSR, Non-Executive Independent Director
5. Sri. R. Mallikarjuna, Executive Managing Director & CEO (a member w.e.f. 04.04.2024)
6. Sri. Ch. Rama Prasad, Executive Managing Director & CEO (Not a member w.e.f. 04.04.2024)

The Executive Committee is empowered to take decisions relating to sanction of proposals for acquisition of financial assets, investments in security receipts, reconstruction and resolution of financial assets and matters relating to appointment of staff, fixation of their remuneration, promotions, etc. The Executive Committee also recommends policy matters to the Board.

The Committee met 12 times during the financial year 2023-24 on 28.04.2023, 29.05.2023, 24.06.2023, 27.07.2023, 28.08.2023, 29.09.2023, 24.10.2023, 29.11.2023, 28.12.2023, 30.01.2024, 29.02.2024 and 28.03.2024.

Corporate Social Responsibility Committee

1. Dr. Pamidi Kotaiah – Chairperson, Non-Executive Independent Director (a member w.e.f. 15.11.2022)
2. Sri. Vepa Kamesam, Non-Executive Independent Director
3. Sri. M. Siva Rama Vara Prasad, Non-Executive Promoter Director
4. Sri. R. Mallikarjuna, Executive Managing Director & CEO (a member w.e.f. 04.04.2024)
5. Sri. Ch. Rama Prasad, Executive Managing Director & CEO (not a member w.e.f. 04.04.2024)

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee with the above-mentioned Directors for carrying out CSR activities as per Schedule VII of the said Act. The CSR Committee formulated CSR policy for approval by the Board. The Committee oversees implementation of the CSR activities / programs / projects undertaken by implementing agencies and monitors the CSR policy.

The Committee met once during the financial year 2023-24 on 26.06.2023 and all the members of the Committee were present.

Nomination and Remuneration Committee

1. Sri. M. Siva Rama Vara Prasad – Chairperson, Non-Executive Promoter Director
2. Dr. Pamidi Kotaiah, Non-Executive Independent Director
3. Sri Koteswara Rao SSR, Non-Executive Independent Director

Pursuant to Section 178 of the Companies Act, 2013, the Company has constituted a Nomination and Remuneration Committee. The Committee formulated the Nomination and Remuneration policy for approval by the Board. The Committee formulates the criteria for determining qualifications, positive attributes and independence of a director from time to time. The Committee also carries out evaluation performance of Directors. Also, the evaluation of fit and proper criteria of Directors, Sponsors and MD / WTD / CEO as per the directives of the Reserve Bank of India

The Nomination and Remuneration Committee recommends to the Board of Directors on appointment of Directors, Key Managerial Personnel and on remuneration payable to them. The Nomination and Remuneration policy of the Company is made available on the website.

The Committee met thrice during the financial year 2023-24 on 26.06.2023, 29.11.2023 and 14.03.2024 and all the members were present in all meetings.

Internal Complaint Committee (The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013):

The Internal Complaints Committee constituted under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to provide a safe and conducive work environment to its employees. The Committee met on 29.05.2024.

Your Directors' state that during the financial year 2023-24 no complaints were received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Independent Directors meeting

Pursuant to Section 149(8) read with Clause VII (3) of Schedule IV of the Companies Act, 2013, the Independent Directors met separately during the financial year 2023-24 on 10.05.2024. All the Independent Directors were present to assess the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties and to review the performance of the Chairperson of the Company, taking into account the views of executive and non-executive directors.

Board Evaluation

Pursuant to the provisions of the Act, the Nomination and Remuneration Committee has carried out an annual evaluation of performance of the Board, Board Committees and individual Directors for the financial year 2023-24, after seeking inputs from all the Directors on the basis of criteria such as Board composition and structure, effectiveness of Board processes, information, functioning, etc. and performance of the Committees on criteria such as composition of committees, effectiveness of committee meetings, etc.

Directors

- As per the provisions of Section 149 of the Companies Act, 2013, each of the Independent Directors has submitted declaration that he / she meets the criteria of independence as provided in Section 149(6) of the Act, and there has been no change in the circumstances which may affect their status as an independent director during the year.

- Sri. Ch. Rama Prasad retired as Managing Director & CEO on 03.04.2024. Your Directors place sincere appreciation for the valuable services rendered by Sri. Ch. Rama Prasad during his tenure.
- Sri. R. Mallikarjuna was appointed as an Additional Director on the Board in the capacity of the Managing Director & CEO on 14.03.2024 on the recommendation of the Nomination and Remuneration Committee, after no objection was conveyed by Reserve Bank of India on 16.02.2024. He holds office from 04.04.2024 upto the conclusion of this Annual General Meeting.

The Board of Directors in its meeting held on 10.06.2024, recommended to the Members for confirmation of appointment of Sri. R. Mallikarjuna as Managing Director & CEO of the Company. The resolution seeking approval of the Members for confirmation of his appointment is incorporated in the notice of the forthcoming Annual General Meeting of the Company along with an explanatory statement.

- Dr. Pamidi Kotaiah, Chairperson and Non-Executive Independent Director and Sri Vepa Kamesam, Non-Executive Independent Director of the company will be completing their tenure at the conclusion of 17th Annual General Meeting.

Your Directors express their sincere appreciation and gratitude for the valuable services and contributions made by Dr. Pamidi Kotaiah since the inception of the company and also by Sri.Vepa kamesam since 2010.

Your Directors place on the record their deep appreciation for the highest level of professionalism, commitment, and the guidance extended by them for the growth of the company with good corporate governance during their long association with the Company.

- Sri. N. Ramesh Kumar (Retired IAS) was appointed as an Additional Director on the Board on 10.06.2024 after the Reserve Bank of India conveyed its no objection on 02.05.2024. He holds office upto the conclusion of the 17th Annual General Meeting.

Sri. N. Ramesh Kumar has served in the Government of Andhra Pradesh in various capacities including as Principal Secretary, Department of Finance. His rich experience in financial matters, project evaluation and general administration would provide guidance to the company and basing on the recommendations of the Nomination and Remuneration Committee, the Board appointed Sri. Ramesh Kumar as an Additional Director of your company.

The Board of Directors in its meeting held on 10.06.2024 recommended to the Members for confirmation and appointment of Sri. N. Ramesh Kumar for a term of 5 (five) years. The resolution seeking approval of the Members for confirmation of appointment of Sri. N Ramesh Kumar as an Independent Director is incorporated in the notice of the forthcoming Annual General Meeting of the company along with an explanatory statement.

- In accordance with the provisions of the Articles of Association of the Company and provisions of Section 152 of the Companies Act, 2013, Sri M. Siva Rama Vara Prasad, Non-Executive Promoter Director, retires by rotation at the ensuing General Meeting and being eligible, offers himself for re-appointment.

Key Managerial Personnel

Sri.Ch.Rama Prasad retired as Managing Director & CEO on 03.04.2024 and Sri. R. Mallikarjuna was appointed as Managing Director & CEO w.e.f. 04.04.2024 upto 21.09.2027.

There is no change in other Key Managerial Personnel Sri. V. S. Ranga Rao, Chief Financial Officer and Smt. V. Vani, Company Secretary.

Auditors

M/s. C. V. Ramana Rao & Co., Chartered Accountants who were appointed as Auditors of the Company to hold office for a term of five years from the conclusion of the Fifteenth Annual General Meeting of the Company held on 5th September, 2022, shall continue as Auditors till the conclusion of the 20th Annual General Meeting to be held in the year 2027.

Statutory Auditors' report and Secretarial Auditors' report

The reports of Statutory Auditors and Secretarial Auditors do not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is given as Annexure I which forms part of this report.

Particulars of loans, guarantees or investments

The Company has not granted any loans or made any investments and not extended guarantees for any individuals or corporates under Section 186 of the Act during the year 2023-24.

Particulars of contracts or arrangements with related parties

The Company has entered into contracts or arrangements pursuant to Section 188(1) of the Act during the financial year 2023-24 with related parties, in the ordinary course of business at arm's length basis. Further, the Company had not entered into any contract or arrangement with any related party during the year which is not at arm's length basis. Form AOC-2 is given as Annexure II.

Corporate Social Responsibility

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure III of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company.

Extract of Annual Return

As provided under Section 92(3) of the Act, the extract of Annual Return in the prescribed Form MGT-9, which forms part of this Report, is available on the website of the Company.

<https://www.paras.org.in/financials/>

Fixed Deposits

The Company has not accepted / invited any deposits from the public in terms of section 73 of the Companies Act, 2013.

Directors' Responsibility Statement

Pursuant to requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of the annual accounts for the year ended 31st March, 2024, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit of the Company for the year ended on that date;

- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts of the Company for the year ended 31st March, 2024 on a going concern basis; and
- (v) 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.

Particulars of Employees

The statement showing details of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not required to be appended as none of the employees are drawing salary as stipulated in the section under reference.

Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo

As the Company is engaged in asset reconstruction and securitisation activities, the particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 are not applicable to the Company.

Acknowledgements

Your Directors would like to express their sincere gratitude to the Shareholders, Reserve Bank of India, Banks, Financial Institutions, Government Authorities and other stakeholders for the continued support and faith reposed in the Company.

Your Directors also wish to place on record their deep sense of appreciation to all the members of staff for their dedication, commitment and contribution to the Company's growth.

For and on behalf of the Board of Directors

Place: Hyderabad
Date: 10.06.2024

Dr. Pamidi Kotaiah
Chairperson
DIN No. 00038420

ANNEXURE I TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 01.04.2023 TO 31.03.2024

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

To
The Members
Pridhvi Asset Reconstruction and Securitisation Company Limited
Hyderabad, Telangana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"Pridhvi Asset Reconstruction and Securitisation Company Limited"** (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering from April 01st, 2023 to March 31st, 2024 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **"Pridhvi Asset Reconstruction and Securitisation Company Limited"** for the period covering from April 01st, 2023 to March 31st, 2024 according to the provisions of:
 - i. The Companies Act, 2013 (the Act), the rules and amendments made thereunder; the Memorandum and Articles of Association therein;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. No Overseas Direct Investment and External Commercial Borrowings are pursued;
 - v. The Reserve Bank of India Act, 1934;
 - vi. The Asset Reconstruction Companies (Reserve Bank) Guidelines and Directions, 2003;
 - vii. The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
 - viii. The Security Interest (Enforcement) Rules, 2002;
 - ix. Secretarial Standards issued by "The Institute of Company Secretaries of India".

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

Note: The Company is not listed entity. Hence, the following regulations are Not Applicable

- x. 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, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998.
2. We further report that the Company has, in our opinion, complied with the Provisions of the Companies Act, 2013 and the Memorandum and Articles of Association of the Company, with regard to:
 - i. Maintenance of various statutory registers and documents and making necessary entries therein.
 - ii. Forms, Returns, Documents and Resolutions required to be filed with the Registrar of Companies.
 - iii. Service of documents by the Company to its Members, Auditors and the Registrar of Companies.
 - iv. Notice of the Board meetings and Committee meetings of Directors.
 - v. The 16th Annual General Meeting held on September 04th, 2023.
 - vi. The meetings of Members, Directors and Committees of Directors include passing of resolutions by circulation.
 - vii. Minutes of proceedings of the Board, its Committee and General Meetings.
 - viii. Approvals of the Board of Directors, the Committees, Members and the Government Authorities, wherever required.
 - ix. Constitution of the Board of Directors / Committee(s) of Directors.
 - x. Payment of Remuneration to Directors including the Managing Director.
 - xi. Appointment and Resignation of Key Managerial personnel (KMP) & Directors.
 - xii. Appointment and Remuneration of Auditors.
 - xiii. There are no investments of the company funds made and no inter-corporate loans given for the period.
 - xiv. During the period under review the Company has increased the Authorized Share Capital of the Company from the existing ₹150,00,00,000 (Rupees One Hundred Fifty Crores Only) divided into 1,50,00,000 (One Crore Fifty Lakhs Only) Equity Shares of ₹100/- each to ₹ 200,00,00,000 (Rupees Two Hundred Crores Only) divided into 2,00,00,000 (Two Crores Only) Shares of ₹100/- each.
 - xv. Allotment of Secured unlisted redeemable Non-Convertible Debentures.
 - xvi. Form of Balance Sheet as prescribed under Part I, Form of Statement of Profit and Loss as prescribed under Part II and General instructions for preparation of the same as prescribed in schedule VI to the Act.
 - xvii. The Director's report is in accordance to the provisions.
 - xviii. Contracts, Common seal, Registered Office and Publication of Name of the Company are as per the provisions.

- xix. The provisions of appointment of Women director.
- xx. The provisions of Corporate Social responsibility (CSR).
- xxi. Transfer and Transmission of Shares.
- xxii. Issuance of Duplicate share certificates.
- xxiii. Charge creations and modification.
- xxiv. All other applicable provisions of the Act and the Rules made there under.

3. We further report that:

- i. All the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/ debenture holdings and directorships in other Companies and interests in other entities;
 - ii. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Managerial Personnel.
 - iii. The Company has obtained all necessary approvals under the various provisions of the Act; and
 - iv. There was no prosecution initiated and no fines or penalties were imposed during the period under review under the Companies Act, 2013, The Securities Contracts (Regulation) Act, 1956, The Reserve Bank of India Act, 1934, The Depositories Act, 1996 and Rules, Regulations and Guidelines framed under these Acts against/ on the Company, its Directors and Officers.
4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and with the Provisions of the Asset Reconstruction Companies (Reserve Bank) Guidelines and Directions, 2003 and the Rules made under that Act, with regard to;
- a) Filing of quarterly returns to RBI.
 - b) Issuing of Security Receipts, and
 - c) The Company has not accepted any deposits from Public.
5. We further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed there under by the Depositories with regard to dematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
6. There is no Foreign Exchange outflow and inflow during the period under review. Hence, the Company need not comply with the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made under the Act to the extent applicable to ODI, FDI and ECB.
7. We further report that based on the information received and records maintained, 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.

Signature:

Name of Company Secretary
PHANISAI ARUNKUMAR MOGANTI

FCS: 12700; C.P No: 21591

Partner

ARUN & PAVAN ASSOCIATES

Company Secretaries

Peer Review Certificate No.2242/2022

Place: Hyderabad

Date: 21.05.2024

UDIN: F012700F000530965

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

‘Annexure-A’

To
The Members
Pridhvi Asset Reconstruction and Securitisation Company Limited
Hyderabad
Telangana

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

- 1) Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
- 6) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date : 21.05.2024

Name of Company Secretary
PHANISAI ARUNKUMAR MOGANTI
FCS: 12700; C.P No: 21591
Partner
ARUN & PAVAN ASSOCIATES
Company Secretaries
Peer Review Certificate No.2242/2022

ANNEXURE II TO DIRECTORS' REPORT

FORM NO. AOC -2

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2024, which were not at arm's length basis.

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

The details of contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2024, are as follows.

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
M/s. Mezzequity Software Private Ltd. (Smt. M. Rajya Lakshmi wife of Sri. M. Siva Rama Vara Prasad, Director, is a Member and Director in M/s.Mezzequity Software Private Ltd.)	Maintenance of office premises	3 years w.e.f 01.04.2023	Maintenance charges@ ₹8.25 / sft. On par with other occupants of the building. Transactions during the year ₹11.61 lakhs	Executive Committee approved on 24.06.2023	-
M/s.BitKemy Technologies Pvt Ltd. (Sri. M. Siva Rama Vara Prasad, Director, is also a Director in M/s.BitKemy Technologies Pvt. Ltd.)	Maintenance of software for operations	Annual maintenance	Maintenance of ₹10 Lakhs p.a.	Audit Committee approved on 25.05.2016	-

M/s.Touchstone Capital Ltd. (Sri. M. Siva Rama Vara Prasad, Director is also a Director in M/s.Touchstone Capital Ltd.)	Consultant for mobilizing resources	1 year, extended by six months (Contract ended on 17.12.2022)	1% of value of funds mobilised	Audit Committee approved on 18.06.2021	-
M/s. Touchstone Capital Ltd. (Sri. M. Siva Rama Vara Prasad, Director is also a Director in M/s.Touchstone Capital Ltd.)	Consultant for business mobilization	1 year, extended by six months.	0.1% on acquisition cost	Audit Committee approved on 22.05.2022	-

For and on behalf of the Board of Directors

Place : Hyderabad

Date : 10.06.2024

R. Mallikarjuna

Managing Director & CEO

ANNEXURE III TO DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2023-24

1. A brief outline of the CSR policy of the Company

The core theme of the Company's CSR policy is giving back to the society from which it draws its resources by extending a helping hand to the needy, the underprivileged and to contribute for activities that sustain economic development of local community at large. It is the contribution of the corporate for philanthropic and social causes like providing primary education and health, drinking water, sanitation and such other activities which would result in a better living environment.

Through CSR initiatives, the Company, in alignment with its vision and environmental concern, will continue to enhance value creation in the society, so as to promote sustained growth of the society, in fulfillment of its role as a Socially Responsible Corporate.

The CSR Policy of the Company is available on the website of the Company.

2. The Composition of the CSR Committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Pamidi Kotaiah	Non-Executive Independent Director	1	1
2.	Sri. Vepa Kamesam	Non-Executive Independent Director	1	1
3.	Sri. M. Siva Rama Vara Prasad	Non-Executive Promoter Director	1	1
4.	Sri. Ch. Rama Prasad*	Executive Managing Director & CEO	1	1
5.	Sri. R. Mallikarjuna#	Executive Managing Director & CEO	-	-

* Sri. Ch. Rama Prasad is not a member w.e.f. 04.04.2024.

Sri. R. Mallikarjuna is a member w.e.f. 04.04.2024.

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

<https://www.paras.org.in/policies/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - Not applicable

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
		Not applicable	

6. Average net profit of the company as per section 135(5) - ₹ 15,99,04,316/-
7. (a) Two percent of average net profit of the company as per section 135(5) - ₹ 31,98,086/-
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil
- (c) Amount required to be set off for the financial year, if any - NIL
- (d) Total CSR obligation for the financial year (7a+7b-7c) - ₹ 31,98,086/-
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ In Lakhs)	Amount Unspent (in ₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
31.98	NIL	-	NIL	-	-

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

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

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No)	(5) Location of the project: State & District	(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency Name & CSR Registration no.
1	Medical services, vocational training and education	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects; promoting health care	No	Andhra Pradesh West Godavari	16.26 Lakhs	No	Kovvali Development Trust
2	Education	Promoting education, including special education among children	No	Andhra Pradesh Vizianagaram district	6.72 Lakhs	No	Sodhana Charitable Trust
3	Education	Renovation expenditure for school computer lab, science lab, library and basketball court	No	Telangana Hyderabad	5 Lakhs	No	Ambedkar Vidyaniketan Trust
4	Employment enhancing Vocational Skills	2 units of Mango Grafts Production Clusters at ₹ 2 Lakhs each	No	Andhra Pradesh Alluri Seetharama-raju	4 Lakhs	No	Centre for Development and Research (CDR)

(d) Amount spent in Administrative Overheads – Nil
(e) Amount spent on Impact Assessment, if applicable – Not applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 31,98,086/-

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	31.98
(ii)	Total amount spent for the Financial Year	31.98
(iii)	Excess amount spent for the financial year ((ii)-(i))	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years ((iii)-(iv))	-

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

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

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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) - NIL

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - Not applicable

For and on behalf of the Board of Directors

Place: Hyderabad
Date : 10.06.2024

R. Mallikarjuna
Managing Director & CEO

Dr. Pamidi Kotaiah
Chairperson - CSR Committee

INDEPENDENT AUDITOR'S REPORT

To

**The Members of
Pridhvi Asset Reconstruction and Securitisation Company Limited,
Hyderabad**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Pridhvi Asset Reconstruction and Securitisation Company limited ("the Company"), which comprise the Balance Sheet as at March 31st 2024, the Statement of Profit and Loss, the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounts) Rules, 2014, of the state of affairs of the Company as at 31st March, 2024, and its Profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board of Director's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statement and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified in Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure- A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the director is disqualified as on March 31st, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting
- g) 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:

The remuneration paid to the Directors by the company is in accordance with the provisions of the sec.197

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations that would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred, to the "Investor Education and Protection Fund" by the Company.
 - iv. a. The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 25 (g) 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(i.e.), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 25 (h) to the accounts, no funds have been received by the Company from any person(s) or entity(i.e.), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The company has not declared nor paid dividend during the year.
- 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 year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the company adheres to a policy of maintaining audit trails in accordance with statutory requirements for record retention.

For **C V Ramana Rao & Co.**
Chartered Accountants
Firm Regn No. 002917S

(K Kavya)
Partner
Membership No.223355
UDIN: 24223355BKDRUK6203

Place : Hyderabad
Date : 10.06.2024

Annexure-A to the Independent Auditor's Report

The Annexure A referred to in our Independent Auditor's report of even date, to the members of Pridhvi Asset Reconstruction and Securitisation Company Limited, Hyderabad for the year ended 31 March 2024. We report that:

- i) a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
(B) The Company is maintaining proper records showing full particulars of intangible assets.
- b) The Property, Plant & Equipment have been physically verified by the management at reasonable intervals. According to the information furnished to us, no material discrepancies have been noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties, which are lodged with the company's Bankers as security, are held in the name of the Company.
- d) The company has not revalued its Property, Plant & Equipment (including the Right of Use assets) or Intangible assets or both during the year.
- e) As reported under note No. 10A, of the financial statements for the year under report, and according to the information and explanations given to us, no proceedings have been initiated against the company for holding benami property under Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) and rules made thereunder.
- ii) a) Physical verification of inventory is not applicable to the company due to nature of its business. Consequently, Paragraph 3(ii)(a) of the order is not applicable to the company.
- b) As reported under note No. 06, of the financial statements for the year under report, the quarterly returns/statements filed by the company with banks are in agreement with the books of account of the company.
- iii) The Company has not made investments in, provided any guarantee or security, granted any loans or advances which are in the nature of loans, secured or unsecured to companies, firms, LLPs, or any other parties, other than those disclosed in the financials.
- iv) The company has neither given any loans to the directors or any other persons in whom the director(s) is interested nor given/provided any guarantee/security in connection with any loan taken by directors or such other persons as per the provisions of section 185 of the Companies Act, 2013.
- v) The Company has not accepted any deposits from the public. Accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under; do not apply to the Company.
- vi) Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the company.
- vii) a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of

undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Cess and any other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of goods and services tax, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues which were in arrears as at 31st March 2024 for a period of more than six months from the date they became payable.

b) As at 31st March 2024, there have been no disputed dues, which have not been deposited with the respective authorities in respect of Goods and Services tax, Income tax, Service tax, duty of customs, duty of excise, value added tax and Cess.

viii) According to the information and explanations given to us and on the basis of examination of the records of the Company, no transactions that are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix) a) The Company has not defaulted in any repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us the company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

c) the company has issued debentures during the year and money raised were applied for the purpose for which are raised.

d) The funds raised on a short-term basis have not been utilised for long term purposes.

e) The Company does not have any subsidiaries, associates, or joint ventures. Consequently, the clauses 3(ix)(e) and (f) of the order is not applicable to the Company.

x) a) The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year under report. Consequently, 3(x)(a) of the order is not applicable.

b) The company has offered 20,58,824 shares at ₹ 170/- per share; shares of face value ₹ 100/- each with a premium of ₹ 70/- per share on preferential allotment basis during the year under review to existing shareholders in accordance with section 42 and section 62 of Companies Act, as allotment is pending for approval from the RBI the amount received is kept in separate bank account as on 31.03.2024.

xi) a) According to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the course of our audit.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed read with rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us and based on our examination of the records of the Company, no whistle-blower complaints are received during the year under report.

- xii) In our opinion, the company is not a Nidhi Company. Consequently, the clause 3(xii) of the order is not applicable.
- xiii) According to the information and explanations given to us and on overall examination of the records of the Company, we report that all transactions with related parties are in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013 and the related party disclosures as required by relevant Indian Accounting Standards are disclosed in the financial statements.
- 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 us.
- xv) The Company has not entered into any noncash transactions with the directors or persons connected with them during the year under report. Consequently, the clause 3(xv) of the order is not applicable.
- xvi) According to the information and explanations given to us, the Company is exempted from registration under section 45-IA of the Reserve Bank of India Act, 1934.
- xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year under review. Consequently, the clause 3(xviii) of the order is not applicable.
- xix) On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, 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 within a period of one year from the balance sheet date.
- xx) a) In terms of the information and explanations given to us and based on the books of account/ records examined by us, the company has no ongoing projects under CSR activities. Further there is no unspent balance to spent under CSR Activities as at the year.
b) In terms of the information and explanations given to us and based on the books of account/ records examined by us, the company has not undertaken any ongoing projects towards CSR activities as per the provisions of section 135 of Companies Act. Accordingly, the clause 3(xx)(b) of the order is not applicable.
- xxi) This paragraph is not applicable in case of standalone financial statements.

For **C V Ramana Rao & Co.**
Chartered Accountants
Firm Regn No. 002917S

(K Kavya)
Partner
Membership No.223355
UDIN: 24223355BKDRUK6203

Place : Hyderabad
Date : 10.06.2024

Annexure-"B" to the Independent Auditor's Report

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 **Pridhvi Asset Reconstruction and Securitisation Company Limited, Hyderabad** ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of directors of the company 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 internal financial controls over financial reporting of the company 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") issued by ICAI and the Standards on Auditing 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded

as necessary to permit preparation of Ind AS 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 (3) 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 financial statements.

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **C V Ramana Rao & Co.**
Chartered Accountants
Firm Regn No. 002917S

(K Kavya)
Partner
Membership No.223355
UDIN: 24223355BKDRUK6203

Place : Hyderabad
Date : 10.06.2024

Balance Sheet as at 31st March, 2024

(₹ In Lakhs)

Particulars	Note	As at 31.03.2024	As at 31.03.2023
Equity and Liabilities			
1) Share holders' funds			
i) Share Capital	02	10000.00	10000.00
ii) Reserves and Surplus	03	7932.29	3779.55
2) Share application money pending allotment	02(b)	3500.00	-
		21432.29	13779.55
3) Non-current Liabilities			
i) Long-term borrowings	04	4000.00	2900.00
ii) Deferred tax liability	30	-	-
iii) Other long-term liabilities	05	-	-
		4000.00	2900.00
4) Current Liabilities			
i) Short-term borrowings	06	16059.34	10484.28
ii) Trade Payables	07	-	-
iii) Other current Liabilities	08	2331.95	1469.77
iv) Short-term provisions	09	233.36	21.75
		18624.65	11975.80
Total		44056.94	28655.35
Assets			
1) Non-current Assets			
i) Property, Plant & Equipment	10		
a) Tangible Assets		501.99	514.28
b) Intangible Assets		4.06	4.27
		506.05	518.55
ii) Non-current investments	11	14983.16	4093.37
iii) Deferred Tax Asset (Net)	30	97.94	32.47
iv) Long-term loans and advances	12	1.23	0.97
v) Other non-current assets	13	4.07	5.09
vi) Other Investments	14	1740.11	1740.11
		16826.51	5872.01
2) Current Assets			
i) Current investments	11	19123.59	15745.05
ii) Trade Receivables	15	3646.96	1899.75
iii) Cash and Cash Equivalents	16	3939.18	4315.61
iv) Short-term loans and advances	12	14.65	13.77
v) Other current assets	13	-	290.61
		26724.38	22264.79
Total		44056.94	28655.35
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **C V Ramana Rao & Co**
Chartered Accountants
Firm Reg.No.002917S

K.Kavya
Partner
Membership No.223355

For and on behalf of the Board

Dr.Pamidi Kotaiah
Chairperson
DIN: 00038420

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V.Vani
Company Secretary

Place: Hyderabad
Date: 10.06.2024

Statement of Profit and Loss for the year ended 31st March, 2024

(₹ In Lakhs)

Particulars	Note	Year ended 31.03.2024	Year ended 31.03.2023
I) Income			
Revenue from operations	17	8262.39	3539.18
Other income	18	82.71	52.72
Total Income (I)		8345.10	3591.90
II) Expenses			
Employee benefits expense	19	298.80	275.18
Finance Cost	20	805.29	634.05
Depreciation	10	20.34	25.57
Other expenses	21	1646.19	1768.65
Total expenses (II)		2770.62	2703.45
III) Profit before tax and exceptional items (I) -(II)		5574.48	888.45
Exceptional items			
Profit after exceptional items and before tax		5574.48	888.45
IV) Tax expenses			
Current Year tax		1487.57	147.76
Earlier years Tax		(0.36)	(2.13)
Deferred tax	30	(65.47)	92.40
Total tax expenses (IV)		1421.74	238.03
Profit after tax (III - IV)		4152.74	650.42
Earnings per equity share (Face Value ₹100/- each)			
Basic & Diluted	29	41.53	6.50

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **C V Ramana Rao & Co**
Chartered Accountants
Firm Reg.No.002917S

K.Kavya
Partner
Membership No.223355

For and on behalf of the Board

Dr.Pamidi Kotaiah
Chairperson
DIN: 00038420

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V.Vani
Company Secretary

Place: Hyderabad
Date: 10.06.2024

Cash flow statement for the year ended 31st March, 2024

(₹ In Lakhs)

S.No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
A.	Cash flow from operating activities:		
	Profit/(Loss) for the year before Tax	5574.48	888.45
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation of property, plant and equipment	20.34	25.57
	Finance costs	805.29	634.05
	Reversal of unrealized Management fee and Expenses	56.13	51.86
	Security Receipts written off	912.43	1099.24
	Provision made for downgrading in rating of SRs	269.63	327.41
	Gain on redemption of mutual funds	(35.02)	-
	Rental Income from investments	(3.60)	(3.38)
	Operating profit before working capital changes	7599.68	3023.20
	Movement in Working Capital:		
	(Increase)/Decrease in Trade receivables	(1803.35)	(602.73)
	(Increase)/Decrease in Current and other non-current assets	290.50	(287.34)
	(Increase)/Decrease in Current liabilities	800.58	(901.40)
	(Increase)/Decrease in Trade payables	-	-
	Cash generated from operations	6887.41	1231.73
	Income tax (paid)/refund	(1276.76)	(166.21)
	Net Cash generated in operations	5610.65	1065.52
B.	Cash flow from investing activities:		
	Sale of property, plant and equipment	-	0.02
	Additions of property, plant & equipment	(7.84)	(2.14)
	Amount received from Security Receipts (on redemption by trusts)	13870.29	43974.75
	Amount received on sale of Security Receipts	-	10110.50
	Amount paid towards Security Receipts	(16450.68)	(19352.80)
	Amount paid towards investment in mutual funds	(1700.00)	-
	Amount received towards gain on redemption of mutual funds	35.02	-
	Amount paid towards purchase of Security Receipts	(11170.00)	-
	Rental Income from investments	3.60	3.38
	Net cash flows used in investing activities	(15419.61)	34733.71
C.	Cash flow from financing activities:		
	Receipts/(Repayments) of borrowings from/(to) bank	(1049.44)	2934.00
	Finance Costs Paid	(742.53)	(608.90)
	Receipts /(payments) from/(to) Non-Convertible Debentures	7724.50	(34114.50)
	Share application money received	3500.00	-
	Net cash flows/(used in) financing activities	9432.53	(31789.40)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(376.43)	4009.83
	Opening balance of cash and cash equivalents	4315.61	305.78
	Closing balance of cash and cash equivalents	3939.18	4315.61

Note: 1. Cash and cash equivalents include deposit of Rs.22.37 lakhs (PY Rs.21.52 lakhs) in Union Bank of India, being amount paid by Keygien Global Ltd., in PARAS-SBIKG-033 Trust as per the order dated 04.08.2015 of DRT II, Mumbai. The deposit is placed for 91 days with auto renewal facility.

Note: 2. Cash and cash equivalents include deposits of Rs.310.32 lakhs (PY Rs.293.29 lakhs) deposited by the company with Union Bank of India as cash collateral for SOD limit of Rs.50 crores sanctioned by bank.

Note: 3. Cash flow statement is prepared under indirect method as specified under AS-3 "Cash flow statement". The accompanying notes are an integral part of the financial statements.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **C V Ramana Rao & Co**

Chartered Accountants

Firm Reg.No.002917S

K.Kavya

Partner

Membership No.223355

For and on behalf of the Board

Dr.Pamidi Kotaiah

Chairperson

DIN: 00038420

V. S. Ranga Rao

Chief Financial Officer

R. Mallikarjuna

Managing Director & CEO

DIN: 10428677

V.Vani

Company Secretary

Place: Hyderabad

Date: 10.06.2024

Notes on financial statements for the year ended 31st March, 2024

1. Summary of significant accounting policies

I. Basis of Preparation:

The accounting and reporting policies of the company are framed to comply with the Generally Accepted Accounting Principles (GAAP) in India, the guidelines and accounting standards issued by the Reserve Bank of India from time to time and the provisions of the Companies Act 2013. Financial statements are prepared under historical cost convention and all income and expenditure are accounted on accrual basis, except otherwise stated.

II. Principal Accounting Policies:

Revenue Recognition:

- i) Interest on bank deposits is recognized on accrual basis.
- ii) Interest income in respect of restructured /rescheduled financial assets which are held in the books of the company is recognized on accrual basis as long as the asset remains performing.
- iii) a) Income from financial assets held in trusts is recognized after redemption of the entire principal amount of Security Receipts.
b) Upside income is recognized only after full redemption of Security Receipts.
- iv) Management fee in respect of accounts acquired and held in trusts is recognized in the first year at the time of acquisition. For subsequent periods management fee is recognized only when the fee recognized earlier is realized in full. Any such management fee recognized during the planning period (planning period is 6 months from the date of acquisition) is reversed if the same is not recovered within 180 days from the date of expiry of the planning period. Likewise, management fee recognized after the planning period is reversed if the same is not realized within 180 days from the date of recognition. Further, any unrealized management fee is reversed if NAV of the Security Receipts of the financial asset falls below 50% of the face value below the prescribed time for realization.
- v) Sale proceeds of secured assets/OTS payments/instalments of rescheduled debts are appropriated first towards expenses incurred for formation of trusts (either reversed or outstanding in account recoverable from trust), management fee (either reversed or outstanding in account recoverable from trust), other expenses, outstanding acquisition cost and the balance amount, if any, is recognized as gain.
- vi) Interest on Advances given to accounts held in trust(s) as a trustee is accounted for as and when amount is realized as per the terms of trust deed.

III. Asset classification and provisioning there on:

The company shall classify the financial assets acquired and held in the books of the company and make necessary provisions against non-performing assets, as per the guidelines issued by Reserve Bank of India from time to time.

IV. Rating of Security Receipts:

Security Receipts issued by the Trusts are rated by accredited Rating Agencies periodically as per guidelines of Reserve Bank of India.

V. Investments / Valuation of Security Receipts:

Investments in Security Receipts are aggregated for the purpose of arriving at net depreciation/appreciation of investments under the category. Net depreciation if any, is provided for and net appreciation is ignored. Investments in SRs held by the company are treated as "Available for Sale Category."

VI. Property, Plant & Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes purchase cost and all expenditure such as installation costs incurred on the assets before it is put to use.

Depreciation is charged on straight line method in accordance with rates specified in Schedule II of the Companies Act, 2013.

Intangible Assets are amortized over a period of three years.

VII. Employee benefits:

The Company makes annual contribution to Gratuity Fund and Leave Encashment Fund administered by trustees and managed by LIC of India based on actuarial valuation done every year.

VIII. Pre-Acquisition Expenditure on Financial Assets:

Expenses incurred at pre-acquisition stage for performing due diligence etc., for acquiring financial assets from banks/FIs are expensed immediately by recognizing the same in the statement of Profit and Loss for the period in which such costs are incurred.

IX. Expenditure incurred after acquisition of Assets:

Expenses incurred after acquisition of assets on the formation of trusts like stamp duty, registration etc., which are recoverable from the trusts are charged to the respective trust accounts and the same are reversed if not realized within 180 days from the planning period or if the NAV of SRs falls below 50% of the face value, whichever is earlier.

X. Earnings per share:

The EPS is computed by dividing the net profit attributable to the equity shareholders by weighted average number of shares outstanding during the reporting year.

XI. Operating cycle concept under schedule III:

Liabilities due within one year are classified as "current liabilities" and assets maturing within one year along with cash and bank balances as "current assets".

Notes to financial statements for the year ended 31st March, 2024

2. Share capital

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Authorized shares		
2,00,00,000 equity shares of ₹ 100/- each	20000.00	15000.00
1,50,00,000 equity shares of ₹ 100/- each (31.03.2023)		
Issued and subscribed shares		
1,00,00,000 equity shares of ₹100/- each	10000.00	10000.00
Fully paid-up shares		
1,00,00,000 equity shares of ₹ 100/- each	10000.00	10000.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

(₹ in Lakhs)

Equity Shares of Rs.100/- each	As at 31.03.2024		As at 31.03.2023	
	Number	Amount	Number	Amount
At the beginning of the year	1,00,00,000	10000.00	1,00,00,000	10000.00
Changes in Equity during the year	-	-	-	-
Outstanding at the end of the year	1,00,00,000	10000.00	1,00,00,000	10000.00

b. Rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 100/- per share. 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, recommended by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.

The company has offered 20,58,824 shares at ₹ 170/- per share; shares of face value ₹ 100/- each with a premium of ₹ 70/- per share on preferential allotment basis during the year to existing shareholders. As allotment is pending approval from the RBI the amount received is kept under share application money pending allotment.

c. Details of shareholders holding more than 5% shares in the company

Names of Shareholders	As at 31.03.2024		As at 31.03.2023	
	Number	% holding	Number	% holding
Smt.M.Rajya Lakshmi	4,290,101	42.90%	4,290,101	42.90%
Sri.M.Siva Rama Vara Prasad	1,189,753	11.89%	1,189,753	11.89%
Punjab National Bank	999,000	9.99%	999,000	9.99%
Sri. Mukesh Kumar Manubhai Patel	647,818	6.48%	523,909	5.24%
Sri.M.Rohit Prasad	600,000	6.00%	600,000	6.00%
Sri. Bimal Bhai Manubhai Patel	523,909	5.24%	523,909	5.24%

d. Shares reserved for issue under options

The Company has not reserved any shares for issue under Employees Stock Option Scheme (ESOP).

Notes to financial statements for the year ended 31st March, 2024

e. Shareholding of Promoters as on 31.03.2024:

Shares held by the promoters as on 31.03.2024				% change in share holding during the year
S. No.	Promoter Name	No. of Shares	% of total Shares of the Company	
1.	Sri. Motaparti Siva Rama Vara Prasad	1,189,753	11.89	-
2.	Smt. M. Rajya Lakshmi	4,290,101	42.90	-
3.	Sri.Mukesh Kumar Manubhai Patel	647,818	6.48	+1.24
4.	Sri.M.Rohit Prasad	600,000	6.00	-
5.	Sri.Bimal Manubhai Patel	523,909	5.24	-
6.	M/s.Design Tribe India Pvt. Ltd	150,000	1.50	-
7.	Patel Family Private Trust	123,909	1.24	+1.24
8.	Smt. Sushilaben Patel	0	-	-1.24
9.	Smt. Mina H Patel	0	-	-1.24
	Total	7,525,490	75.25	-

Shareholding of Promoters as on 31.03.2023 :

Shares held by the promoters as on 31.03.2023				% change in share holding during the year
S. No.	Promoter Name	No. of Shares	% of total Shares of the Company	
1	Sri. Motaparti Siva Rama Vara Prasad	1,189,753	11.89	-
2	Smt. M. Rajya Lakshmi	4,290,101	42.90	-
3	Sri.M.Rohit Prasad	600,000	6.00	-
4	Sri.Mukesh Kumar Manubhai Patel	523,909	5.24	-
5	Sri.Bimal Manubhai Patel	523,909	5.24	-
6	M/s.Design Tribe India Pvt. Ltd	150,000	1.50	-
7	Smt. Sushilaben Patel	123,909	1.24	-
8	Smt. Mina H Patel	123,909	1.24	-
	Total	7,525,490	75.25	-

Notes to financial statements for the year ended 31st March, 2024

3. Reserves and Surplus

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
A. General Reserve		
General reserve balance as per the last financial statements	2000.00	1500.00
Add: Amount transferred from surplus in the statement of profit and loss towards general reserve	4000.00	500.00
Total General Reserve	6000.00	2000.00
B. Debenture redemption reserve as per last financial statements	350.00	-
Add: Debenture redemption reserve	240.00	350.00
Total Debenture redemption reserve	590.00	350.00
(A+B)	6590.00	2350.00
C. Surplus in the statement of profit and loss		
Balance as per last financial statements	1429.55	1629.13
Profit for the year	4152.74	650.42
	5582.29	2279.55
Less: Appropriations		
Transfer to general reserve	4000.00	500.00
Transfer to Debenture Redemption Reserve	240.00	350.00
Total appropriations	4240.00	850.00
Net surplus in the statement of profit and loss (C)	1342.29	1429.55
Total reserves and surplus (A)+(B)+(C)	7932.29	3779.55

4. Long-term borrowings (Secured)

(₹ in Lakhs)

Particulars	Non-current portion		Current portion*	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
NCDs issued to Blacksoil Capital Pvt Ltd.,	2725.00	1650.00	1175.00	350.00
NCDs issued to Blacksoil Credit Fund.,	1275.00	1250.00	725.00	250.00
NCDs issued to Touchstone Trust Scheme-III.,	-	-	-	5845.50
NCDs issued to Options Exim Pvt Ltd.,	-	-	9527.50	-
NCDs issued to United Port Services Pvt Ltd.,	-	-	1642.50	-
	4000.00	2900.00	13070.00	6445.50

* NCDs for ₹ 13070 lakhs are payable within one year and are shown in Short Term borrowings.

Notes to financial statements for the year ended 31st March, 2024

Disclosure on Repayment schedule of the above Non-Convertible Debentures (NCDs). All NCDs are issued at par on private placement basis.

(₹ in Lakhs)

Name of the investor / Date of allotment	NCDs issued @coupon rate & face value of NCD	NCD's Outstanding as on 31.03.2024 (₹ lakhs)	Value of SR's Pledged (₹lakhs)	Total no. of installments	Installment amount due during the FY 2024-25 (₹ lakhs)
Blacksoil Capital Pvt Ltd.,/ (31.05.2022)	NCDs for ₹1500 lakhs issued @ coupon rate 16.50% p.a. Face value: ₹ 5 lakhs each	1200.00	10257.61	5	600.00
Blacksoil India Credit Fund.,/ (31.05.2022)	NCDs for ₹1000 lakhs issued @ coupon rate 16.50% p.a. Face value: ₹ 5 lakhs each	800.00		5	400.00
Blacksoil Capital Pvt Ltd./ ₹ 500 lakhs on 29.9.2022 and ₹ 2250 lakhs on 04.12.2023	NCDs for ₹ 2750 lakhs issued @ coupon rate 16.00% p.a. Face value: ₹ 5 lakhs each	2700.00		12	575.00
Blacksoil India Credit Fund.,/ ₹ 500 lakhs on 29.9.2022 and ₹ 750 lakhs on 04.12.2023	NCDs for ₹ 1250 lakhs issued @ coupon rate 16.00% p.a. Face value: ₹ 5 lakhs each	1200.00		12	325.00
Options Exim Pvt Ltd., /09.01.2024	NCDs for ₹ 9527.50 lakhs issued @ coupon rate 0.01% p.a. Face value: ₹ 10,000/- each	9527.50**	9527.50	-	9527.50
United Port Services Pvt Ltd., /09.01.2024	NCDs for ₹ 1642.50 lakhs issued @ coupon rate 0.01% p.a. Face value: ₹ 10,000/- each	1642.50**	1642.50	-	1642.50

- ** NCDs for ₹ 11170.00 lakhs are payable from out of the proceeds of redemption of Security Receipts pledged to the investors.
- SRs of value ₹ 10257.61 lakhs are common security for NCDs for ₹ 3900 lakhs of Blacksoil Capital Pvt Ltd. and NCDs for ₹ 2000 lakhs of Blacksoil India Credit Fund.
- NCDs issued to Blacksoil Capital Pvt Ltd., and Blacksoil India Credit Fund are secured by the personal guarantee of Sri. MSRV Prasad, Director.

Notes to financial statements for the year ended 31st March, 2024

5. Other Long-term liabilities & provisions

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Total	-	-	-	-

6. Short-term borrowings (Secured)

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Secured Overdraft from Union Bank of India	2989.34	4038.78
NCDs issued to Blacksoil Capital Pvt Ltd.,	1175.00	350.00
NCDs issued to Blacksoil Credit Fund.,	725.00	250.00
NCDs issued to Touchstone Trust Scheme-III.,	-	5845.50
NCDs issued to Options Exim Pvt Ltd.,	9527.50	-
NCDs issued to United Port Services Pvt Ltd.,	1642.50	-
Total	16059.34	10484.28

- Overdraft is secured by way of pledge of Security Receipts to the extent of 150% of the overdraft amount and hypothecation of present and future Financial Assets. Further secured by cash collateral of 5% of the limit, mortgage of company's Registered Office premises and personal guarantee of Sri. M.S.R.V. Prasad, Director. Rate of interest is 1year MCLR (presently 8.80%) + 2.75 % p.a. = 11.55% p.a. Over Draft limit is Rs.50.00 Crores, renewable every year.
- Quarterly statements submitted to bank for availing Overdraft facility agree with books of account.

7. Trade payables

(₹ in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Amount	Details	Amount
(A) Total outstanding dues of Micro and Small Enterprises	-	-	-	-
(B) Total outstanding dues other than Micro and Small Enterprises	-	-	-	-
Total		-	-	-

Disclosure of Trade payables as required under section 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, based on the information available with the company regarding the status of suppliers.

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Principal amount and interest due thereon remaining unpaid but not due as at year end	NIL	NIL
(b) Interest paid in terms of Section 16 of MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year not due as at year end	NIL	NIL
(c) 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 MSMED Act	NIL	NIL
(d) Interest accrued and remaining unpaid at the end of the year	NIL	NIL
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

Unbilled trade payables as on 31.03.2024: Nil

8. Other current liabilities

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Money received from Sagar Power (Neerukatte) Pvt Ltd.	780.00	780.00
Money received from sale of assets in Targof Pure Drugs Ltd.	202.50	202.50
Money payable to PARAS-SBIKG-033 Trust *	22.37	21.52
Money payable to Sekhar Stores	18.91	20.94
Money received towards sale of assets	1075.97	380.62
a) Statutory dues payable		
a. Tax deducted at Source	19.96	16.54
b. Profession Tax	0.03	0.03
c. GST	114.11	13.56
b) Others		
a. Interest accrued on NCDs but not due	62.75	25.15
b. Other payables	35.35	8.91
Total	2331.95	1469.77

***Note:** ₹ 15 lakhs received and placed as a deposit in a bank with auto renewal every 91 days as per Court direction in PARAS-SBIKG-033 Trust (Deposit Value as on 31.03.2024 is ₹ 22.37 lakhs & value as on 31.03.2023 is ₹ 21.52 lakhs).

9. Short term provisions

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Income tax payable (net of prepaid taxes)	210.46	-
Gratuity and Leave encashment premium payable to LIC	22.90	21.75
Total	233.36	21.75

Notes to financial statements for the year ended 31 st March, 2024

Note 10: Property, Plant & Equipment

(₹. In Lakhs)

Description	Gross Block			Depreciation				Net Block		
	As at 31.03.2023	Additions	Deletions	As at 31.03.2024	Upto 31.03.2023	For the Year	Deletions	Upto 31.03.2024	As at 31.03.2024	As at 31.03.2023
A- Tangible Assets										
Buildings	586.68	-	-	586.68	92.63	9.29	-	101.92	484.76	494.05
Furniture & Fixtures	137.11	6.01	-	143.12	122.70	7.57	-	130.27	12.85	14.41
Data Processing Equipment	23.65	0.92	-	24.57	19.66	2.30	-	21.96	2.61	3.99
Office Equipment	15.79	-	-	15.79	15.22	-	-	15.22	0.57	0.57
Vehicles	20.87	-	-	20.87	19.61	0.06	-	19.67	1.20	1.26
Library	0.23	-	-	0.23	0.23	-	-	0.23	-	-
Total (A)	784.33	6.93	-	791.26	270.05	19.22	-	289.27	501.99	514.28

B- Intangible Assets

Description	Gross Block			Depreciation			Net Block			
	As at 31.03.2023	Additions	Deletions	As at 31.03.2024	Upto 31.03.2023	For the Year	Deletions	Upto 31.03.2024	As at 31.03.2024	As at 31.03.2023
Computer software	59.69	0.91	-	60.60	55.42	1.12	-	56.54	4.06	4.27
Total (B)	59.69	0.91	-	60.60	55.42	1.12	-	56.54	4.06	4.27
Grand Total (A+B)	844.02	7.84	-	851.86	325.47	20.34	-	345.81	506.05	518.55

Note 10A: All the Property, plant & equipment are owned by the company. Further, the company does not hold any benami property and no proceedings have been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) and the rules made thereunder.

Note 10B: The title deeds of all the immovable properties are held in the name of the company.

Note 10C: There are no intangible assets under development as at 31st March 2024. (Previous year - Nil)

Note 10D: The Company has not revalued its property, plant & equipment and intangible assets during the year under report and the immediately preceding year.

Note 10E: There is no Capital works in progress during the year and the previous year.

Notes to financial statements for the year ended 31 st March, 2023

Note 10: Property, Plant & Equipment

(₹. In Lakhs)

Description	Gross Block			Depreciation			Net Block			
	As at 31.03.2022	Additions	Deletions	As at 31.03.2023	Upto 31.03.2022	For the Year	Deletions	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
A- Tangible Assets										
Buildings	586.68	-	-	586.68	83.34	9.29	-	92.63	494.05	503.34
Furniture & Fixtures	137.11	-	-	137.11	110.07	12.63	-	122.70	14.41	27.04
Data Processing Equipment	26.64	1.24	4.23	23.65	22.23	1.64	4.21	19.66	3.99	4.41
Office Equipment	15.79	-	-	15.79	15.22	-	-	15.22	0.57	0.56
Vehicles	20.87	-	-	20.87	18.68	0.93	-	19.61	1.26	2.19
Library	0.22	0.01	-	0.23	0.22	0.01	-	0.23	-	0.00
Total (A)	787.31	1.25	4.23	784.33	249.76	24.50	4.21	270.05	514.28	537.54

B- Intangible Assets

Description	Gross Block			Depreciation			Net Block			
	As at 31.03.2022	Additions	Deletions	As at 31.03.2023	Upto 31.03.2022	For the Year	Deletions	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computer software	58.80	0.89	-	59.69	54.35	1.07	-	55.42	4.27	4.45
Total (B)	58.80	0.89	-	59.69	54.35	1.07	-	55.42	4.27	4.45
Grand Total (A+B)	846.11	2.14	4.23	844.02	304.11	25.57	4.21	325.47	518.55	541.99

Notes to financial statements for the year ended 31st March, 2024

Note 11: Investments

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
A. Investment in special purpose vehicles (valued at cost and fully paid up unless stated otherwise)Unquoted security receipts (SRs)				
1. PARAS-SPPL-049 Trust 0 (31 st March 2023: 3808) SRs of ₹10,000/- each	-	-	-	380.80
2. PARAS-SPPOBC-053 Trust 0 (31 st March 2023: 30402) SRs of ₹1000/- each	-	-	-	304.02
3. PARAS-VMC-054 Trust 0 (31 st March 2023: 231) SRs of ₹1,00,000/- each	-	-	-	231.00
4. PARAS-SOUB-055 Trust 190 (31 st March 2023: 190) SRs of ₹1,00,000/- each	-	90.00	190.00	100.00
5. PARAS-DB2016-056 Trust 0 (31 st March 2023: 12757) SRs of ₹1000/- each	-	-	-	127.57
6. PARAS-RVS-059 Trust 0 (31 st March 2023: 229) SRs of ₹100,000/- each	-	-	-	229.00
7. PARAS-MLA-060 Trust 120 (31 st March 2023: 120) SRs of ₹1,000/- each	-	-	1.20	1.20
8. PARAS-JSL-061 Trust 44715 (31 st March 2023: 44715) SRs of ₹1,000/- each	-	-	447.15	447.15
9. PARAS-AWL-065 Trust 480 (31 st March 2023: 480) SRs of ₹1,00,000/- each	-	-	480.00	480.00
10. PARAS-VBI-067 Trust 4050 (31 st March 2023: 4050) SRs of ₹1,000/- each	40.50	40.50	-	-
11. PARAS-MAIPL-071 Trust 1915 (31 st March 2023: 3599) SRs of ₹1,000/- each	-	-	19.15	35.99
12. PARAS-VHPL-072 Trust 443 (31 st March 2023: 443) SRs of ₹1,00,000/- each	-	-	443.00	443.00
13. PARAS-SIPPL-073 Trust 99 (31 st March 2023: 99) SRs of ₹1,00,000/- each	99.00	99.00	-	-
14. PARAS-VEAL-075 Trust 8325 (31 st March 2023: 8325) SRs of ₹1,000/- each	-	83.25	83.25	-
15. PARAS-SBPL-076 Trust 8655 (31 st March 2023: 8655) SRs of ₹1,000/- each	-	-	86.55	86.55
16. PARAS-SSDF-080 Trust 465 (31 st March 2023: 465) SRs of ₹1,000/- each	-	-	4.65	4.65
17. PARAS-SRPL-081 Trust 0 (31 st March 2023: 3735) SRs of ₹1,000/- each	-	-	-	37.35
18. PARAS-DTPL-082 Trust 31500 (31 st March 2023: 31500) SRs of ₹1,000/- each	315.00	315.00	-	-
19. PARAS-MRC-084 Trust 712 (31 st March 2023: 712) SRs of ₹1,000/- each	-	-	7.12	7.12
CF	454.50	627.75	1762.07	2915.40

Notes to financial statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
BF	454.50	627.75	1762.07	2915.40
20. PARAS-SPKHL-085 Trust 30120 (31 st March 2023: 30120) SRs of ₹1,000/- each	-	-	301.20	301.20
21. PARAS-VAP-086 Trust 3525 (31 st March 2023: 3525) SRs of ₹1,000/- each	-	-	35.25	35.25
22. PARAS-VLT-089 Trust 0 (31 st March 2023: 17265) SRs of ₹1,000/- each	-	-	-	172.65
23. PARAS-RC-090 Trust 1735 (31 st March 2023: 1965) SRs of ₹1,000/- each	-	-	17.35	17.35
24. PARAS-CRD-092 Trust 3750 (31 st March 2023: 3750) SRs of ₹1,000/- each	-	-	37.50	37.50
25. PARAS-GS-093 Trust 3450 (31 st March 2023: 3450) SRs of ₹1,000/- each	-	-	34.50	34.50
26. PARAS-SPMPL-094 Trust 2550 (31 st March 2023: 2550) SRs of ₹1,000/- each	-	-	25.50	25.50
27. PARAS-NPPL-095 Trust 2985 (31 st March 2023: 5190) SRs of ₹1,000/- each	-	1.90	29.85	50.00
28. PARAS-DFPPL-096 Trust 13500 (31 st March 2023 : 13500) SRs of ₹1,000/- each	135.00	135.00	-	-
29. PARAS-VCMPPL-097 Trust 5475 (31 st March 2023 :5475) SRs of ₹1,000/- each	-	-	54.75	54.75
30. PARAS-VPPL-099 Trust 12002 (31 st March 2023 :12002) SRs of ₹1,000/- each	120.02	120.02	-	-
31. PARAS-GTKVB-100 Trust 2117 (31 st March 2023: 2416) SRs of ₹10,000/- each	94.50	94.50	117.20	147.10
32. PARAS-RTKVB-101 Trust 1725 (31 st March 2023: 1725) SRs of ₹1,000/- each	-	-	17.25	17.25
33. PARAS-NTKVB-103 Trust 25173 (31 st March 2023: 25173) SRs of ₹1,000/- each	51.73	51.73	200.00	200.00
34. PARAS-SNV-104 Trust 3675 (31 st March 2023: 3675) SRs of ₹1,000/- each	36.75	36.75	-	-
35. PARAS-SVRTC-105 Trust 3675 (31 st March 2023: 3675) SRs of ₹1,000/- each	36.75	36.75	-	-
36. PARAS-HCT-106 Trust 195 (31 st March 2023: 195) SRs of ₹10,000/- each	-	-	19.50	19.50
37. PARAS-SVCM-107 Trust 1725 (31 st March 2023: 1725) SRs of ₹1,000/- each	-	-	17.25	17.25
38. PARAS-VNCT-108 Trust 0 (31 st March 2023: 342) SRs of ₹10,000/- each	-	34.20	-	-
39. PARAS-SLNGM-109 Trust 2985 (31 st March 2023: 2985) SRs of ₹1,000/- each	-	-	29.85	29.85
CF	929.25	1138.60	2699.02	4075.05

Notes to financial statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
BF	929.25	1138.60	2699.02	4075.05
40. PARAS-SAA-110 Trust 3405 (31 st March 2023: 3405) SRs of ₹1,000/- each	34.05	34.05	-	-
41. PARAS-CEF-112 Trust 10 (31 st March 2023: 10) SRs of ₹1,00,000/- each	-	-	10.00	10.00
42. PARAS-SKE-113 Trust 5625 (31 st March 2023: 5625) SRs of ₹1,000/- each	56.25	56.25	-	-
43. PARAS-SEKVB-114 Trust 23 (31 st March 2023: 27) SRs of ₹1,00,000/- each	23.00	27.00	-	-
44. PARAS-MKS-115 Trust 135 (31 st March 2023: 135) SRs of ₹10,000/- each	13.50	13.50	-	-
45. PARAS-SSKVB-116 Trust 39 (31 st March 2023: 45) SRs of ₹1,00,000/- each	39.00	45.00	-	-
46. PARAS-KMMT-117 Trust 0 (31 st March 2023: 30) SRs of ₹1,00,000/- each	-	30.00	-	-
47. PARAS-FAPL-118 Trust 0 (31 st March 2023: 5250) SRs of ₹1,00,000/- each	-	-	-	5250.00
48. PARAS-SBISEWCT-119 Trust 221 (31 st March 2023: 221) SRs of ₹10,000/- each	22.10	22.10	-	-
49. PARAS-126 Trust 0 (31 st March 2023: 193800) SRs of ₹1,000/- each	-	-	-	1938.00
50. PARAS-126 Jr Trust 0 (31 st March 2023: 390750) SRs of ₹1,000/- each	-	-	-	3907.50
51. PARAS-131 Trust 0 (31 st March 2023: 105) SRs of ₹1,00,000/- each	-	-	-	105.00
52. PARAS-132 Trust 63582 (31 st March 2023: 104767) SRs of ₹1,000/- each	400.70	747.67	235.12	300.00
53. PARAS-133 Trust 23293 (31 st March 2023: 29701) SRs of ₹1,000/- each	200.00	200.00	32.93	97.01
54. PARAS-134 Trust 1077 (31 st March 2023: 1340) SRs of ₹1,00,000/- each	517.00	1340.00	560.00	-
55. PARAS-135 Trust 53368 (31 st March 2023: 82910) SRs of ₹1,000/- each	233.68	529.10	300.00	300.00
56. PARAS-136 Trust 405000 (31 st March 2023: Nil) SRs of ₹1,000/- each	4050.00	-	-	-
57. PARAS-137 Trust 45000 (31 st March 2023: Nil) SRs of ₹1,000/- each	450.00	-	-	-
58. PARAS-138 Trust 186793 (31 st March 2023: Nil) SRs of ₹1,000/- each	1567.93	-	300.00	-
59. PARAS-139 Trust 25533 (31 st March 2023: Nil) SRs of ₹1,000/- each	-	-	255.33	-
60. PARAS-140 Trust 232500 (31 st March 2023: Nil) SRs of ₹1,000/- each	2325.00	-	-	-
CF	10861.46	4183.27	4392.40	15982.56

Notes to financial statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
BF	10861.46	4183.27	4392.40	15982.56
61. PARAS-143 Trust 202650 (31 st March 2023: Nil) SRs of ₹1,000/- each	1026.50	-	1000.00	-
62. PARAS-144 Trust 150420 (31 st March 2023: Nil) SRs of ₹1,000/- each	1304.20	-	200.00	-
63. PARAS-145 Trust Series A -180200 (31 st March 2023: Nil) SRs of ₹1,000/- each	1002.00	-	800.00	-
64. PARAS-145 Trust Series B -70500 (31 st March 2023: Nil) SRs of ₹1,000/- each	705.00	-	-	-
65. PARAS-146 Trust 2045 (31 st March 2023: Nil) SRs of ₹1,000/- each	20.45	-	-	-
66. PARAS-147 Trust 52178 (31 st March 2023: Nil) SRs of ₹1,000/- each	321.78	-	200.00	-
Total	15241.39	4183.27	6592.40	15982.56
Less: Provision on SRs due to down grade in rating	258.23	89.90	338.81	237.51
Total investments in SRs net of provisions	14983.16	4093.37	6253.59	15745.05
Investment in Class B SRs of ACRE 112 Trust (31 st March 2023: Nil)	-	-	11170.00*	-
Total investment in SRs	14983.16	4093.37	17423.59	15745.05
B. Investment in HDFC liquid fund – Growth - 36956.567 units	-	-	1700.00**	-
Total	14983.16	4093.37	19123.59	15745.05

*Note: Company acquired 9,75,000 Class B SRs in ACRE 112 Trust, face value ₹1,000/- each at ₹1145.64, with a premium of ₹145.64 on each SR. The total acquisition price is ₹11170 lakhs against face value of ₹ 9750 lakhs.

** Note: Company invested ₹1700 lakhs in Mutual funds -HDFC Liquid fund – Growth and purchased 36956.567 units. (Cost price ₹ 4600/- per unit)

Of the total SRs of ₹32,406.75 lakhs outstanding as on 31.03.2024 (₹19,838.42 lakhs as on 31.03.2023), SRs of ₹7191.65 lakhs are pledged to secure the overdraft facility availed from Union Bank of India. (₹6,240.09 lakhs as on 31.03.2023)

SRs of ₹21427.61 lakhs are pledged as security for NCDs issued (₹11,453.59 lakhs as on 31.03.2023)

Notes to financial statements for the year ended 31st March, 2024

12. Loan and Advances

(₹ in Lakhs)

Particulars	Non-Current Portion		Current Portion		Total	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
(A) Financial Assets (Secured considered good)						
Loan Assets (A)	-	-	-	-	-	-
(B) Security Deposits						
Unsecured considered good	1.23	0.97	-	-	1.23	0.97
(B)	1.23	0.97	-	-	1.23	0.97
(C) Other Loans and Advances						
Prepaid Expenses	-	-	13.65	13.77	13.65	13.77
Advance for Expenses	-	-	1.00	-	1.00	-
(C)	-	-	14.65	13.77	14.65	13.77
Total (A+B+C)	1.23	0.97	14.65	13.77	15.88	14.74

13. Other Assets

(₹ in Lakhs)

Particulars	Non-Current Portion		Current Portion	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
A. Unsecured and considered good Expenses recoverable from trusts managed by the company				
Unsecured, considered good (A)	4.07	5.09	-	-
(A)	4.07	5.09	-	-
B. Other items				
Income Tax Refund Receivable	-	-	-	290.61
GST Input Tax Receivable	-	-	-	-
(B)	-	-	-	-
Total (A +B)	4.07	5.09	-	290.61

Notes to financial statements for the year ended 31st March, 2024

14. Other Investments

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Investment in properties	1740.11	1740.11

15. Trade Receivables (Unsecured, considered Good)

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Recoverable from Trusts managed by the company	3646.96	1899.45
Others	-	0.30
Total	3646.96	1899.75

Trade Receivables ageing schedule as on 31.03.2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	1760.50	1272.50	117.61	84.15	412.20	3646.96
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-	-

Trade Receivables ageing schedule as on 31.03.2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	681.34	157.38	310.17	306.07	444.79	1899.75
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-	-

Notes to financial statements for the year ended 31st March, 2024

16. Cash and Cash Equivalents & Balances with Banks

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Cash and cash equivalents		
Balances with Banks		
In current accounts ¹	3510.52	4000.52
Earmarked bank balances ²	95.16	-
Bank balances ³	332.69	314.82
Cash on hand	0.81	0.27
Total	3939.18	4315.61

Note 1: Amount in current account includes Share application money of ₹ 3500 lakhs, pending approval of the RBI.

Note 2: Debenture Redemption Reserve deposit of ₹95.16 lakhs. (PY nil)

Note 3: (i) Includes fixed deposit of ₹22.37 Lakhs (PY ₹21.52 lakhs) received and deposited in Bank as per Court direction in PARAS-SBIG-033 Trust.

(ii) Includes deposit of ₹310.32 lakhs pledged to UBI as security for the SOD facility (PY ₹293.30 lakhs).

17. Revenue from operations

(₹ in Lakhs)

Particulars	Current year 2023-24	Previous year 2022-23
Interest earned	212.04	105.14
Gain on Redemption of Security Receipts 2526.22		
Less: Transferred to investors 1210.36		
(Refer Note 17A, 17B)	1315.86	658.52
Incentives received	405.18	54.09
Income from reversal of NPA accounts	996.10	87.24
Advisory & consultancy /up-front fee	190.00	28.00
(A)	3119.18	932.99
Other Financial Services		
Management Fee	5143.21	2606.19
(B)	5143.21	2606.19
Total (A+B)	8262.39	3539.18

Note 17 A: The company invested ₹6907.50 lakhs in Security Receipts of PARAS-126 Trust through issue of NCDs for ₹6907.50 lakhs on private placement basis. The total gain of ₹1210.36 lakhs on resolution of debt in the trust account is transferred to investor of NCDs as per the terms of offer of NCDs.

Note 17 B: In FY 2022-23, the company invested ₹34701.00 lakhs in Security Receipts of PARAS-ACL 1-120, PARAS-ACL 2-121 and PARAS-ACL 3-129 Trusts through issue of NCDs for ₹34701.00 lakhs on private placement basis. The total gain of ₹15361.83 lakhs on resolution of debt in the three trust accounts is transferred to investors of NCDs per the terms of offer of NCDs. Accordingly, gain of ₹658.52 lakhs is reported.

Notes to financial statements for the year ended 31st March, 2024

18. Other Income

(₹ in Lakhs)

Particulars	Current year 2023-24	Previous year 2022-23
Interest on FDs with Banks	30.76	22.56
Gain on redemption of Mutual Funds	35.02	19.23
Other income	16.93	10.93
Total	82.71	52.72

19. Employee benefits expenses

(₹ in Lakhs)

Particulars	Current year 2023-24	Previous year 2022-23
Salaries and wages	243.03	227.82
Remuneration to Directors	10.19	24.00
Contribution to gratuity and leave encashment fund	40.45	17.61
Staff Welfare	5.13	5.75
Total	298.80	275.18

20. Finance costs

(₹ in Lakhs)

Particulars	Current year 2023-24	Previous year 2022-23
Interest expense on: Overdraft	16.18	106.29
Inter Corporate Loans	-	37.40
NCDs	718.21	429.45
Bank charges	40.90	25.91
Upfront coupon fee-NCDs	30.00	35.00
Total	805.29	634.05

21. Other Expenses

(₹ in Lakhs)

Particulars	Current year 2023-24	Previous year 2022-23
Customer service expenditure	2.04	1.75
Electricity, water, house keeping	9.68	9.32
Rates and taxes	9.09	14.05
Repairs and maintenance - Others	11.53	11.49
Vehicle maintenance	3.21	3.41
Office premises maintenance	10.73	10.73
Staff recruitment expenses	-	0.04
Insurance	1.72	1.81
Travelling and conveyance	3.57	1.74
Communication costs	3.28	3.28
Enforcement of Security expenses	15.82	-

Notes to financial statements for the year ended 31st March, 2024

Particulars	Current year 2023-24	Previous year 2022-23
Legal and professional charges	185.08	130.00
Directors' sitting fees	50.25	46.65
Printing and stationery	4.34	4.05
Security expenses	3.27	3.27
Contributions under CSR Scheme (Refer Note 25(m))	31.98	27.09
Reversal of unrealized management fee and expenses	56.13	51.86
Provision on SRs	269.63	327.41
Security Receipts written off	912.43	1099.24
Fee paid towards increase in authorized capital	42.50	-
Payment to Auditors		
Audit fee	5.45	5.45
Tax Audit Fee	0.25	0.25
GST Audit and Certification fee	1.58	1.88
Miscellaneous expenses	12.63	13.88
Total	1646.19	1768.65

22. In accordance with the guidelines issued by the Reserve Bank of India, the Security Receipts issued by Trusts which are managed by the Company as managing trustee are to be rated. M/s. India Ratings and Research Pvt. Ltd and M/s. Infomerics Valuation and Rating Pvt Ltd are engaged for credit rating of SRs of Trusts.
23. Differences in the number of security receipts between books of accounts and NSDL records are due to non updation in NSDL records.
24. Certain payables are subject to balance confirmations.

25. Additional Regulatory Information:

- a) Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,
- b) No charges or satisfaction is yet to be registered with Registrar of Companies beyond the statutory period.
- c) The company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
- d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e) The company is not declared as willful defaulter by any bank or financial institution or other lenders.
- f) The Company has no subsidiary companies and accordingly, the provisions of clause (87) of the section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable.
- g) 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

Notes to financial statements for the year ended 31st March, 2024

entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

- h) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- i) There are no transactions that are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- j) There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237 of the Companies Act, 2013.
- k) Proceeds from debt instruments issued during the year have been utilized for the purpose for which they are obtained.

l) Accounting Ratios:

Ratio type	Numerator	Denominator	Figures at the end of the current year 31.03.2024	Figures at the end of the previous year 31.03.2023	% variance	Reasons for variance above 25%
Current Ratio (in times)	Total current assets	Total Current liabilities	1.43	1.86	-23%	Decrease is due to increase in short term borrowings
Debt-Equity Ratio (in times)	Total debt, debt consists of borrowings and lease liabilities	Total equity	0.19	0.21	-9.5%	Debt equity improved due to increase in net worth.
Debt Service Coverage Ratio (in times)	Earnings before interest, tax, depreciation & non cash expenditure, income	Debt service = Interest and lease payments + Principal repayments	5.44	0.07	+7671%	Increase is due to increase in earnings before interest, tax, and depreciation.
Return on Equity Ratio (in %)	Net profit after taxes	Average total equity	23.58	4.72	+399%	Increase is due to increase in net profit because of higher management fee recovery.
Inventory turnover ratio (in times)	Cost of Goods sold	Average Inventory	NA	NA	NA	No inventory
Trade Receivables turnover ratio (in times)	Total Income	Average trade receivables	3.45	2.21	+56%	Increase is due to increase in receivables
Trade payables turnover ratio (in times)	Net credit purchase	Average Trade Payables	Nil	Nil	Nil	Nil

Notes to financial statements for the year ended 31st March, 2024

Net capital turnover ratio (in times)	Total Income	Average working capital (i.e. Total current assets less Total current liabilities)	1.18	0.35	+237%	Improvement is due to increase in total income and decrease in average working capital
Net profit ratio (in %)	Net profit after taxes	Total Income	43.45	18.11	+139%	Increase is due to increase in net profit
Return on Capital employed (in %)	Earnings before interest and tax	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	25.18	9.15	175%	Increase is due to increase in earnings.
Return on investment (in %) (In equity & Mutual Funds)	Income generated from invested funds & change value of SRs on making provision.	Average Invested funds	34.29	8.61	298%	Increase is due to increase in income from invested funds

m) Corporate Social Responsibility:

(₹ in Lakhs)

Particulars	For FY 2023-24	For FY 2022-23
a) Amount required to be spent by the Company during the year	31.98	27.08
b) Amount of expenditure incurred		
i) Construction / acquisition of assets	-	-
ii) Other than (i) above	31.98	27.08
c) Shortfall at the end of the year,	Nil	Nil
d) Total of previous years shortfall,	Nil	Nil
e) Reasons for shortfall,	Nil	Nil
f) Nature of CSR activities	a. Medical services b. Vocational training and education c. Education to the poor tribal children	a. Medical services b. Vocational training and education c. Education to the poor tribal children
g) Details of related party transactions,	Nil	Nil
h) Where a provision is made with respect to a liability incurred by entering a contractual obligation, the movements in the provision during the year shown separately.	Nil	Nil

Notes to financial statements for the year ended 31st March, 2024

26. Employee benefits as per AS -15: As per actuarial valuation as on 31.03.2024 given by Independent Actuary and recognized in the financial statements in respect of employee gratuity and leave encashment benefit schemes.

i. Change in present value of obligation as on 31.03.2024

(₹ in Lakhs)

Particulars	As on 31.03.2024		As on 31.03.2023	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of obligations as at the beginning of year	54.23	18.27	47.42	19.38
Interest cost	3.55	0.66	3.09	0.72
Current service cost	7.64	3.81	6.40	2.70
Benefits paid	(10.00)	(18.17)	(5.15)	(10.41)
Actuarial (gain)/loss on obligations	7.47	21.77	2.47	5.88
Present value of obligation as at end of year	62.89	26.34	54.23	18.27

ii. Changes in the fair value of plan assets as at 31.03.2024

(₹ in Lakhs)

Particulars	As on 31.03.2024		As on 31.03.2023	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Fair value of assets as at the beginning of year	32.48	27.20	25.52	22.59
Acquisition adjustments	-	(0.18)	-	(0.15)
Expected return on plan assets	2.52	1.94	1.73	1.54
Contributions made during the year	15.00	17.76	9.85	13.79
Benefits paid	(10.00)	(18.17)	(5.15)	(10.41)
Actuarial (gain)/loss on plan assets	(0.02)	0.01	0.53	(0.16)
Fair value of plan assets at the end of year	39.98	28.56	32.48	27.20

iii. Fair value of plan assets

(₹ in Lakhs)

Particulars	As on 31.03.2024		As on 31.03.2023	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Fair value of plan assets as at the beginning of year	32.48	27.20	25.52	22.59
Acquisition adjustments	-	(0.18)	-	(0.15)
Actual return on plan assets	2.50	1.95	2.27	1.38
Contributions	15.00	17.76	9.85	13.79
Benefits paid	(10.00)	(18.17)	(5.15)	(10.41)
Fair value of plan assets at the end of year	39.98	28.56	32.49	27.20
Funded status	(22.90)	2.21	(21.75)	8.93

Notes to financial statements for the year ended 31st March, 2024

iv. Actuarial Gain/Loss recognized as on 31.03.2024

(₹ in Lakhs)

Particulars	As on 31.03.2024		As on 31.03.2023	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Actuarial (gain)/loss on obligations	(7.47)	(21.77)	(2.47)	(5.87)
Actuarial (gain)/loss for the year – plan assets	(0.02)	0.01	0.53	(0.16)
Actuarial (gain)/loss on obligations	(7.49)	(21.76)	(1.94)	(6.03)
Actuarial (gain)/loss recognized in the year	(7.49)	(21.76)	(1.94)	(6.03)

v. The amounts recognized in the balance sheet

(₹ in Lakhs)

Particulars	As on 31.03.2024		As on 31.03.2023	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of obligations as at the end of year	62.89	26.34	54.24	18.27
Fair value of plan assets as at the end of the year	39.99	28.56	32.49	27.20
Funded status	(22.90)	2.22	(21.75)	8.93
Net asset/(liability) recognized in balance sheet	(22.90)	2.22	(21.75)	8.93

vi. Expenses recognized in statement of Profit and Loss

(₹ in Lakhs)

Particulars	For the year 2023-24		For the year 2022-23	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current service cost	7.64	3.81	6.40	2.70
Interest cost	3.54	0.66	3.09	0.72
Expected return on plan assets	(2.52)	(1.94)	(1.73)	(1.54)
Net actuarial (gain)/loss recognized in the year	7.49	21.76	1.94	6.03
Expenses recognized in statement of Profit and Loss	16.15	24.29	9.70	7.91

vii. Actuarial Value Assumptions

(₹ in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year 2023-24	For the year 2022-23	For the year 2023-24	For the year 2022-23
Discount Rate	7.07%	7.20%	7.07%	7.20%
Salary Escalation	6.00%	6.00%	6.00%	6.00%

27. The company has only one line of business and as such has no separate reportable segment to be disclosed under AS -17 "Segment Reporting"

Notes to financial statements for the year ended 31st March, 2024

28. Related Party disclosures

Name of the Party	Nature of Relationship
Sri. M. Siva Rama Vara Prasad	Promoter Non-Executive Director
Sri.M. Gopalakrishnaiah*	Whole-time Director
Sri. Ch.Rama Prasad #	Managing Director and Chief Executive Officer (KMP)
Sri.R.Mallikarjuna^	Managing Director & Chief Executive Officer (KMP)
Sri. V.S. Ranga Rao	Chief Financial Officer (KMP)
Smt. V.Vani	Company Secretary (KMP)
M/s. Mezequity Software Services Ltd	Entity controlled by director
M/s. Bitchemy Technologies Pvt Ltd	Entity controlled by director

*Sri M Gopalakrishnaiah resigned from the company wef 10.04.2023.

Sri Ch. Rama Prasad was appointed as Managing Director and Chief Executive Officer wef 11.04.2023 and retired on 03.04.2024.

^ Sri R.Mallikarjuna was appointed as Managing Director & CEO w.e.f. 04.04.2024.

Transactions with Related parties

(i) Remuneration to Key Managerial Personnel (KMP):

(₹ in Lakhs)

Particulars	2023-24	2022-23
Whole-time Director *	10.19	24.00
Managing Director & CEO #	49.40	45.01
Chief Financial Officer	24.70	28.19
Company Secretary	22.49	23.84
Total:	106.78	121.04

* Note: Inclusive of compensation amount of ₹ 9.52 lakhs paid to Sri. M. Gopalakrishnaiah.

Note: Ch. Rama Prasad, Managing Director & CEO

(ii) Sitting fees to Non-Executive Directors:

(₹ in Lakhs)

Particulars	2023-24	2022-23
Sri. M. Siva Rama Vara Prasad	10.00	8.90
Sri. Richard B Saldanha	7.10	6.30
Sri. Koteswara Rao SSR	9.70	9.50
Dr. Pamidi Kotaiah	8.00	9.50
Sri. Vepa Kamesam	5.80	5.30
Ms. K. Sujatha Rao	5.50	3.30
Total:	46.10	42.80

iii) Transactions with related parties:

(a) M/s. Mezzequity Software Services Ltd.,

Nature of the transaction: Housekeeping and security services

(₹ in Lakhs)

Particulars	2023-24	2022-23
Amount outstanding at the beginning of the year	-	-
Amount paid during the year	10.73	10.73
Amount outstanding at the end of the year	-	-

(b) M/s. Bitchemy Technologies Pvt Ltd.,

Nature of the transaction: Software Development

(₹ in lakhs)

Particulars	2023-24	2022-23
Amount outstanding at the beginning of the year	-	-
Amount paid during the year	10.00	10.00
Amount outstanding at the end of the year	-	-

29. EPS Calculation

The basic and diluted EPS calculation based on effective capital is as under:

Particulars	2023-24	2022-23
Profit after tax	41,52,73,911	6,50,41,861
Weighted average number of shares for calculating EPS	1,00,00,000	1,00,00,000
Basic EPS (Face value ₹ 100/- per share)	41.53	6.50
Diluted EPS (Face value ₹ 100/- per share)	41.53	6.50

30. Taxes on Income (AS - 22)

(₹ in lakhs)

Items of Deferred Tax	2023-24	2022-23
Deferred Tax Liability		
Timing difference in respect of book depreciation and tax depreciation	63.87	61.20
Deferred Tax Asset		
Items related to 43B of I.T Act, expense provisions	161.81	93.67
Net Deferred Tax Liability/(Asset) at current rate of tax	(97.94)	(32.47)

31. Contingent Liabilities Disclosures (To the extent not provided for):

Particulars	As at 31.03.2024	As at 31.03.2023
Claims against the company not acknowledged as debt	Nil	Nil

32. Previous year's figures are regrouped wherever necessary.

Notes to financial statements for the year ended 31st March, 2024

33. Additional Disclosures:

The following are the additional disclosures as required by "The Securitisation Companies and Reconstruction Companies (Reserve Bank) Guidelines and Directions, 2003". The amounts shown below relate to total acquisitions including shares of Investors/Banks

- a) The Names and addresses of banks/financial institutions from whom financial assets were acquired and the values at which such assets were acquired from each such bank/financial institutions.

(₹ in lakhs)

Seller wise acquisition details			
Sellers	Address	As on 31.03.2024	As on 31.03.2023
Andhra Pradesh State Co-operative Bank Ltd	Troop Bazar, Hyderabad-500 001	200.00	200.00
Union Bank of India	Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400 021, Maharashtra,	22036.00	22036.00
Axis Bank Limited	Corporate Office, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025	700.00	700.00
Bank of Baroda	Baroda Corporate Centre, Plot No.26, G-26, BandraKurla Complex, Bandra (East), Mumbai-400 051	5226.20	5226.20
Bank of India	Star House, C-5, "G" Block, BandraKurla Complex, Bandra (East), Mumbai-400 051	3249.75	3249.75
Bank of Maharashtra	'Lokmangal' 1501, Shivaji Nagar, Pune-411005	5700.00	5700.00
Canara Bank	112, JC Road, Bangalore-560 002	1730.00	1730.00
Central Bank of India	Corporate Office, Chander Mukhi, Nariman Point, Mumbai-400 021	4819.60	4819.60
Deutsche Bank	DB House, HazarimalSomani Marg, Fort Mumbai-400 001	400.00	400.00
The Dhanalakshmi Bank Limited	Corporate Office, Naickanal, Thrissur-680 001.	550.00	550.00
The Federal Bank Limited	PB No.103, Federal Towers, Aluva-683 101, Ernakulam, Kerala	60.00	60.00
ICICI Bank Limited	ICICI Towers, BandraKurla Complex, Bandra, Mumbai-400 051	550.00	550.00
IDBI Bank Limited	IDBI Towers, WTC Complex, Cuffe Parade, Mumbai-400 005	3130.73	3130.73

Notes to financial statements for the year ended 31st March, 2024

(₹ in lakhs)

Seller wise acquisition details			
Sellers	Address	As on 31.03.2024	As on 31.03.2023
IFCI Limited	IFCI Tower 61 Nehru Place, New Delhi-110 019	512.86	512.86
Indian Bank	PB No.1384, 66, Rajaji Salai, Chennai-600001	3768.30	3768.30
Indian Overseas Bank	Central Office, PB.No.3765, 763, Anna Salai, Chennai-600 002	2067.00	2067.00
IREDA Limited	3 rd Floor, August Kranti Bhawan, Bhikaiji Cama Place, New Delhi-110 066	653.00	653.00
Karur Vysya Bank	Erode Road, Karur-639 002	11945.20	11945.20
Kotak Mahindra Bank	36-38A, Nariman Bhavan, 227, Nariman Point, Mumbai-400 021	1232.99	415.00
DBS Bank India Ltd	Ground Floor Nos. 11 & 12, Capitol Point, Baba Kharak Singh Marg, Connaught Place, New Delhi - 110001.	600.00	600.00
Punjab National Bank	7, Bhikaiji Cama Place, New Delhi	8559.07	8559.07
Stressed Assets Stabilization Fund	IDBI Towers, WTC Complex, Cuffe Parade, Colaba, Mumbai-400 005	350.00	350.00
State Bank of India	Madame Cama Road, Mumbai-400 021	27098.93	27098.93
Shikshak Sahakari Bank Limited	Registered Office, Opposite Gandhi Sagar Lake, Mahal, Nagapur - 440 018	112.50	112.50
Standard Chartered Bank	90, Mahatma Gandhi Road, Fort Mumbai -400 001	50.00	50.00
UCO Bank	10, Biplabi Trailokya Maharaj Sarani, (Formerly Brabourne Road) Kolkata - 700 001	131.00	131.00
ECL Finance Limited	Edelweiss House, Off CST Road, Kalina, Mumbai - 400 098	80500.00	35000.00
Edelweiss Asset Reconstruction Company Ltd	Edelweiss House, Off CST Road, Kalina, Mumbai - 400 098	39598.00	39598.00
Jana Small Finance Bank	The Fairway Business Park, #10/1, 11/2 & 12/2B Off Domlur, Koramangala Inner Ring Road, Next to EGL, Challaghatta, Bengaluru - 560 071	56204.50	20996.00

Notes to financial statements for the year ended 31st March, 2024

(₹ in lakhs)

Seller wise acquisition details			
Sellers	Address	As on 31.03.2024	As on 31.03.2023
ARCION Revitalization Private Limited	G1/19, Grand Hyatt Plaza, Vakola, Santacruz East, Mumbai - 400 055	30050.00	30050.00
Phoenix ARC Private Limited	5 th floor, Dani Corporate Park, 158, CST Road, Kalina, Santacruz East, Mumbai - 400 098	16000.00	16000.00
Pahal Financial Services Pvt Ltd	7 th floor, Bincri B Square - 2, Opp. Hathising ni vadi, Ambli Iscon Road, Ahmedabad - 380 054	5000.00	2600.00
Omkara Assets Reconstruction Private Limited	No.9, MP Nagar First Street, Kongu Nagar Extension, Tirupur - 641 607	1340.00	1340.00
Asirvad Micro Finance Limited.,	9 th Floor, No:9, Club House Road, Anna Salai, Chennai - 600 002	11500.00	-
Assets Care & Reconstruction Enterprise Ltd., (ACRE ARC)	14 th Floor, EROS Corporate Tower, Nehru Place, New Delhi - 110 019	10000.00	-
	Total	355625.63	250199.14

Notes to financial statements for the year ended 31st March, 2024

b) Dispersion of various financial assets industry-wise:

(₹ in Lakhs)

Industry	No. of borrower/s		Acquisition Price		% Of Total	
	As on 31.03.2024	As on 31.03.2023	As on 31.03.2024	As on 31.03.2023	As on 31.03.2024	As on 31.03.2023
Automobiles	3	3	1393.52	1393.52	0.39	0.56
Agriculture - Allied Activities	3	3	555.00	555.00	0.16	0.22
Bio-Chemical & Pesticides	7	7	4798.47	4798.47	1.35	1.92
Cement	2	2	44702.30	44702.30	12.57	17.87
Coir	1	1	729.76	729.76	0.21	0.29
Cold Storage	1	1	380.00	380.00	0.11	0.15
Educational Institution	4	4	3169.98	3169.98	0.89	1.27
Food Products	8	8	4986.63	4986.63	1.40	1.99
House Hold Appliances	2	2	1000.00	1000.00	0.28	0.40
Hospital	2	2	4671.00	4671.00	1.31	1.87
Hotel	1	1	2025.00	2025.00	0.57	0.81
Iron and Steel, Other Metals	12	12	14254.95	14254.95	4.01	5.70
Information Technology	4	4	346.13	346.13	0.10	0.14
Industrial Gases	3	3	1325.00	1325.00	0.37	0.53
Infrastructure	14	11	132223.10	86723.10	37.18	34.66
Logistics	1	1	600.00	600.00	0.17	0.24
Metals and Mining	3	3	439.28	439.28	0.12	0.18
Media	2	2	1928.00	1928.00	0.54	0.77
NBFC	11	11	921.92	921.92	0.26	0.37
Pharma	6	5	1359.64	541.65	0.38	0.22
Plastics	2	2	792.04	792.04	0.22	0.32
Power	4	4	9786.07	9786.07	2.75	3.91
Paper	3	3	3339.61	3339.61	0.94	1.33
Poultry	3	3	384.00	384.00	0.11	0.15
Retail	2004544	1714974	82704.50	23596.00	23.26	9.43
Textiles	14	14	7317.52	7317.52	2.06	2.92
Trading	48	48	15001.01	15001.01	4.22	6.00
Wood	1	1	2050.00	2050.00	0.58	0.82
Oil Refineries, Vegetable Oil.	3	3	1350.00	1350.00	0.38	0.54
Others	34	34	11091.20	11091.20	3.11	4.42
Total	2004746	1715172	355625.63	250199.14	100.00	100.00

Notes to financial statements for the year ended 31st March, 2024

(₹ in lakhs)

	Particulars	As on 31.03.2024	As on 31.03.2023
c	Details of related parties as per Accounting Standard and guidance notes issued by the Institute of Chartered Accountants of India and the amounts due to and from them	As disclosed in Note No.28 above	
d	A statement clearly charting therein the migration of financial assets from standard to non-performing	Nil	Nil
e	Value of financial assets acquired during the financial year either on the books of the Company or in the books of the Trusts	105426.49	72227.00
f	Value of financial assets fully realized during the financial year	73941.62	52059.50
g	Value of financial assets outstanding for realization as at the end of the financial year	135610.64	122443.72
h	i. Value of Security Receipts redeemed partially during the financial year	13817.15	12498.60
	ii. Value of Security Receipts redeemed fully during the financial year	73941.62	52059.50
i	Value of Security Receipts pending for redemption as at the end of the financial year	135610.64	122443.72
j	Value of Security Receipts which could not be redeemed as a result of non-realization of the financial asset as per the policy formulated by the Asset Reconstruction company under Paragraph 6(C) (ii) or 6(C)(iii)	4500.80	12180.50
k	Value of land and/or building acquired in ordinary course of business of reconstruction of assets (year wise)	2600.20 (FY.2015-16)	2600.20 (FY.2015-16)
l	Details of assets where the value of acquisition is more than the book value (the value of assets as declared by the seller bank in the auction)	Nil	Nil
m	Details of Assets disposed of (either by write off or by realisation) during the year at a discount of more than 20% of valuation as on the previous year and reasons therefor	Nil	Nil
n	Details of Assets where the value of the SR has declined more than 20% of below the acquisition value –		

As on 31.03.2024

SI No	Trust Name	Face Value in Rupees	NAV in Rupees
1	PARAS-VMC-054 Trust*	100000	50000
2	PARAS-SOUB-055 Trust	100000	15000
3	PARAS-DB2015-056 Trust*	1000	600
4	PARAS-MLA-060 Trust	1000	500
5	PARAS-SPPL-049 Trust*	10000	7500
6	PARAS-JSL-061 Trust	1000	500
7	PARAS-VBI-067 Trust	1000	750
8	PARAS-SIPPL-073 Trust	100000	75000
9	PARAS-SPKHL-085 Trust	1000	750
10	PARAS-VAP-086 Trust	1000	750
11	PARAS-CRD-092 Trust	1000	750
12	PARAS-DFPPL-096 Trust	1000	750
13	PARAS-VC MPL-097 Trust	1000	750
14	PARAS-SLNGM-109 Trust	1000	750
15	PARAS-SAA-110 Trust	1000	750
16	PARAS-SKE-113 Trust	1000	750
17	PARAS-SBISEWCT-119 Trust	10000	7500

*Note: The above Trust accounts were written off as on 31.03.2024 since the resolution period of 8 years has been completed

As on 31.03.2023

SI No	Trust Name	Face Value in Rupees	NAV in Rupees
1	PARAS-SPPL-049 Trust	10000	7500
2	PARAS-JSL-061 Trust	1000	750
3	PARAS-SIPPL-073 Trust	100000	75000
4	PARAS-VAP-086 Trust	1000	750
5	PARAS-CRD-092 Trust	1000	750
6	PARAS-DFPPL-096 Trust	1000	750
7	PARAS-VCMPPL-097 Trust	1000	750
8	PARAS-VNCT-108 Trust	10000	7500
9	PARAS-SLNGM-109 Trust	1000	750
10	PARAS-SAA-110 Trust	1000	750
11	PARAS-SBISEWCT-119 Trust	10000	7500

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **C V Ramana Rao & Co**
Chartered Accountants
Firm Reg.No.002917S

K.Kavya
Partner
Membership No.223355

For and on behalf of the Board

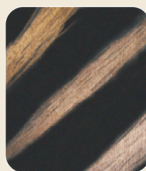
Dr.Pamidi Kotaiah
Chairperson
DIN: 00038420

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V.Vani
Company Secretary

Place: Hyderabad
Date: 10.06.2024



PARAS

Pridhvi Asset Reconstruction And Securitisation Company Limited

Registered & Corporate Office

D.No: 1-55, Raja Praasadamu, 4th Floor, Masjid Banda Road, Kondapur, Hyderabad - 500 084.

Tel: 040-41413333, Email: co@paras.org.in

Web: www.paras.org.in