

**16**<sup>TH</sup>  
ANNUAL  
REPORT  
2022-23



**PARAS**

**Pridhvi Asset Reconstruction  
And Securitisation Company Limited**

**Forging ahead with Structured Resolutions**

## Board of Directors



**Dr. Pamidi Kotaiah**  
Chairperson



**Sri. Vepa Kamesam**  
Director



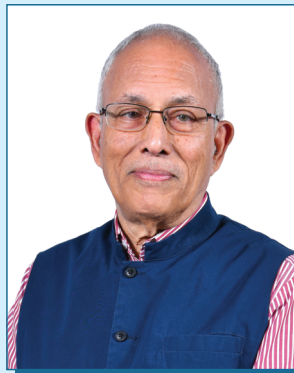
**Ms. K. Sujatha Rao**  
Director



**Sri. M. Gopala Krishnaiah**  
Whole-time Director  
(Demitted office on 10.04.2023)



**Sri M. Siva Rama Vara Prasad**  
Director



**Sri. Richard B Saldanha**  
Director



**Sri. Koteswara Rao SSR**  
Director



**Sri. Ch. Rama Prasad**  
Managing Director & CEO  
(w.e.f. from 11.04.2023)

## Senior Executives



**Sri. K. Ramakrishna Prasad**  
Vice President



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



**Sri. R. Mallikarjuna**  
Vice President



# Contents

Notice to Shareholders	04
Directors' Report	10
Auditors' Report	38
Balance Sheet	48
Statement of Profit and Loss	49
Cash Flow Statement	50
Notes to Financial Statements	51

## 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, 4<sup>th</sup> 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	2018-19	2019-20	2020-21	2021-22	2022-23
Paidup Equity	10000	10000	10000	10000	10000
Tangible Networth	12351	11221	12547	13129	13780
Assets Acquired	6801	13039	47639	122580	549527
Acquisition Cost	1165	8068	35000	44344	72227
SRs issued during the year	1165	8068	35000	44344	72227
SRs redeemed during the year	6784	5770	1655	5588	64558
Total Income	1879	1628	2818	3312	3592
Profit Before Tax	735	145	1792	2116	888
Dividend %	10	-	10	-	-
Earnings per Share (₹)	5.21	0.75	13.26	15.82	6.50

## NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Company will be held on Monday, the 4<sup>th</sup> September, 2023 at 5.00 pm at Door No.1-55, 6<sup>th</sup> 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 31<sup>st</sup> March, 2023 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. Adoption of new set of Memorandum of Association (MOA) of the Company as per the Companies Act, 2013

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

"RESOLVED THAT pursuant to the provisions of Section 13 of Companies Act, 2013 ('the Act'), Schedule I made thereunder, read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to substitute the existing Memorandum of Association of the Company with new set of Memorandum of Association (MOA) as per the provisions of 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."

#### 4. Adoption of new set of Articles of Association (AOA) of the Company as per the Companies Act, 2013

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

"RESOLVED THAT pursuant to the provisions of Section 14 of Companies Act, 2013 ('the Act'), Schedule I made thereunder, read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to substitute the existing Articles of Association of the Company with new set of Articles of Association (AOA) as per the provisions of 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."

## 5. Increase in Authorised Share Capital 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 61(1)(a) read with Section 13 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the consent of the Members of the company be and is hereby accorded to increase the Authorized Share Capital of the Company from 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 by creation of additional 50,00,000 (Fifty Lakhs Only) Equity Shares of ₹100 each ranking pari-passu in all respect with the existing Equity Shares of the Company.”

“RESOLVED FURTHER THAT the Memorandum of Association of the Company be altered in the following manner i.e., in existing Clause V of the Memorandum of Association, the words “The Authorised Share Capital of the Company is ₹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 (Rupees Hundred) each” 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) divided into 2,00,00,000 (Two Crores Only) Shares of ₹100 (Rupees Hundred) each.

“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. Ch. Rama Prasad 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. Ch. Rama Prasad (DIN No. 07030015) 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 11<sup>th</sup> April, 2023 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.”

## 7. Appointment of Sri. Ch. Rama Prasad 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 the Board of Directors, Sri. Ch. Rama Prasad (DIN No. 07030015) be and is hereby appointed as Managing Director & CEO of the Company w.e.f. 11<sup>th</sup> April, 2023 upto 3<sup>rd</sup> April, 2024.”

RESOLVED FURTHER THAT the appointment of Sri. Ch. Rama Prasad is on the following terms and conditions:

#### **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. Ch. Rama Prasad be entitled to remuneration and benefits as mentioned below as per the Companies Act, 2013 and read with Rules specified thereunder.

- Gross salary – ₹3.80 Lakhs per month
- Company Car with reimbursement of Driver's salary and maintenance expenditure
- Mobile bill reimbursement (actual)
- Ex-gratia as declared by the Board
- Other terms and conditions 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."

### **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 5<sup>th</sup> 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 10<sup>th</sup> 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,  
4<sup>th</sup> Floor, Wing-I,  
Masjid Banda Road, Kondapur,  
Hyderabad – 500 084.  
CIN: U67120TG2007PLC053327  
Website: [www.paras.org.in](http://www.paras.org.in)  
Email id: [co@paras.org.in](mailto:co@paras.org.in)

Dated: 26.06.2023

By order of the Board

**Dr. Pamidi Kotaiah**  
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 7 mentioned in the accompanying Notice.

### Item No. 3 and 4:

Our Company was incorporated on 27.03.2007 under the provisions of the Companies Act, 1956. The existing Memorandum of Association and Articles of Association are as per the provisions of the Companies Act, 1956. The Board of Directors at their meeting held on 26.06.2023 recommended to the Members for adoption of new set of Memorandum of Association and Articles of Association as per the Companies Act, 2013.

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

The Board recommends the resolution set forth in Item No.3 and 4 of the Notice for approval of the Members.

### Item No. 5:

As per the notification no. RBI/2022-23/128 dt. 11.10.2022 of the Reserve Bank of India, the Minimum Net Owned Fund of an ARC is increased from the existing ₹100 crore to ₹200 crore by March 2024 and ₹300 crore by March 2026.

The existing Authorised Share Capital of the Company is ₹150 crores (1,50,00,000 shares @ ₹100 each) and Paid-up Share Capital is ₹100 crores. Our net owned fund as on 31.03.2023 is ₹137.43 crores. The Board of Directors recommend to increase the Authorised Share Capital to ₹200 crores to comply with the revised guidelines of the RBI.

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

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

### Item No. 6 and 7:

Sri. Ch. Rama Prasad was appointed as Chief Executive Officer of the Company from 24.11.2016. 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. Ch. Rama Prasad (DIN No. 07030015) 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 11.04.2023 who holds office up to the conclusion of this Annual General Meeting. The Company had received consent letter from Sri. Rama Prasad to act as a Director, Managing Director & CEO of the Company.

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

In terms of Section 160 of the Companies Act, 2013, the Company has received notice in writing from a Member proposing his candidature to be appointed as Director and Managing Director & CEO of the Company as per the provisions of the Companies Act, 2013.

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 26.06.2023 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 Ch. Rama Prasad as Director and Managing Director & CEO of the Company with effect from 11.04.2023 up to 03.04.2024 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. Ch. Rama Prasad 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. Ch. Rama Prasad be entitled to remuneration and benefits as mentioned below as per the Companies Act, 2013 and read with Rules specified thereunder.

- Gross salary – ₹3.80 Lakhs per month
- Company Car with reimbursement of Driver's salary and maintenance expenditure
- Mobile bill reimbursement (actual)
- Ex-gratia as declared by the Board
- Other terms and conditions as per HR Policy of the Company

None of the other Directors, Key Managerial Personnel of the Company or their relatives, except Sri. Ch. Rama Prasad is interested in the above resolutions.

The Board recommends the resolution set forth in Item No. 6 and 7 of the Notice for approval of the Members.

#### Registered Office:

D.No.1-55, Raja Praasadamu,  
4<sup>th</sup> Floor, Wing-I,  
Masjid Banda Road, Kondapur,  
Hyderabad – 500 084.  
CIN: U67120TG2007PLC053327  
Website: [www.paras.org.in](http://www.paras.org.in)  
Email id: [co@paras.org.in](mailto:co@paras.org.in)

By order of the Board

**Dr. Pamidi Kotaiah**  
DIN No. 00038420

Dated: 26.06.2023



## DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 16<sup>th</sup> Annual Report together with the audited statements of accounts of the Company for the financial year ended 31<sup>st</sup> March, 2023.

### Financial Results

The performance of the Company for the year ended 31<sup>st</sup> March, 2023 is summarized below:

(₹ in Lakhs)

Particulars	2022-23	2021-22
Revenue from operations	3539.18	3293.67
Other income	52.72	17.89
Total Income	3591.90	3311.56
Total Expenditure	2703.45	1195.24
Profit Before Tax and Exceptional items (PBT)	888.45	2116.32
Less: Provision for Tax	238.03	534.46
Profit After Tax (PAT)	650.42	1581.86
Surplus brought forward from previous year	1629.13	1547.27
Less: Dividend paid for FY 2020-21	-	1000.00
Profit available for Appropriation	2279.55	2129.13
Less Appropriations:		
Transfer to General Reserve	500.00	500.00
Transfer to Debenture Redemption Reserve	350.00	-
Balance carried to Balance Sheet	1429.55	1629.13
Earnings Per Share of ₹100 (in Rupees)	6.50	15.82

The Company's gross income for the financial year ended 31<sup>st</sup> March, 2023 is ₹3591.90 lakhs as against ₹3311.56 lakhs in the previous year. Profit Before Tax (PBT) is ₹888.45 lakhs and net profit after tax for the year is ₹650.42 lakhs as against ₹2116.32 lakhs and ₹1581.86 lakhs respectively in the previous year.

The Company's net worth as on 31<sup>st</sup> March, 2023 stood at ₹13779.55 lakhs.

### Dividend

Considering the Reserve Bank of India's directive to increase the Net Owned Funds of the Company to ₹200 crores by 31<sup>st</sup> March, 2024, your directors have taken a conscious decision to retain the profit earned in business and hence dividend is not proposed for the financial year ended 31<sup>st</sup> March, 2023.

### Transfer to Reserves

Your Directors approved to transfer ₹500 lakhs to General Reserve and ₹350 lakhs to Debenture Redemption Reserve for FY 2022-23. The net surplus of ₹1429.55 lakhs is retained in the Statement of Profit and Loss.

### Share Capital

There is no change in the capital structure of the Company during FY 2022-23.

## Performance of the Company

A summary of the debts acquired and realized during FY 2022-23 is given below. A detailed analysis of the performance of the Company is discussed in the management discussion and analysis.

(₹ in crores)

Acquisitions	2022-23	2021-22
Number of seller Banks / FIs	6	3
Debt acquired	5495.27	1225.80
Cost of acquisition	722.27	443.44

(₹ in crores)

Redemptions	2022-23	2021-22
Number of Accounts	25	16
Amount redeemed	645.58	55.88

## Management Discussion and Analysis

**Acquisitions:** During FY 2022-23, ARCs acquired the debt of ₹1,78,283 crores at an acquisition cost of ₹37,267 crores. Your Company placed bids for a bid value of ₹802 crores and was successful in acquiring debt of ₹5495.27 crores at an acquisition cost of ₹722.27 crores, of which Corporate and MSME loans account for ₹486.31 crores and retail loans are acquired at an acquisition cost of ₹235.96 crores. The acquisitions in the previous year amounted to ₹443.44 crores.

During FY 2022-23, your company was successful in acquiring part debt of a large corporate from 2 ARCs at an acquisition cost of ₹460.50 crores on cash basis. The debt was structured into Class A and B category security receipts. Two investment firms partnered in the acquisition by subscribing to 85% of security receipts. In the present scenario of asset reconstruction business such 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 2022-23, your Company has forayed into acquisition of retail assets. The Company shall focus on this segment since assets are sold on SR basis and thereby fund requirement is less. Moreover, in most of the cases, lenders supplement efforts in recovery of loans.

**Recoveries:** During FY 2023, the economy of the Country has recovered fully from the pandemic and post pandemic after affects. Most of the economic indices have come back to pre-pandemic levels. Manufacturing and services sectors have surpassed pre-pandemic levels indicating good growth prospects in these sectors.

FY 2022-23 has been a remarkable year for your Company in terms of recovery of debts. The recovery in accounts amounted to ₹910.52 crores as against ₹88.67 crores in the previous year. The debt of a large corporate, acquired in the previous year was fully resolved in FY 2022-23 through a resolution process under IBC. Further, in most of the retail loan portfolios there is a regular flow of recoveries and this has facilitated deployment of funds in a judicious manner. The recoveries resulted in partial redemption in 14 trust accounts amounting to ₹124.99 crores and full redemption in 11 trust accounts, amounting to ₹520.59 crores.

**Profitability:** During FY 2022-23 the gross revenue was ₹35.92 crores (₹33.12 crores in the previous year). The profit before tax was ₹8.88 crores and net profit after tax ₹6.50 crores. In spite of higher revenue, the profit before tax has reduced compared to previous year due to higher finance cost and increase in provisioning requirements on security receipts in trust accounts, as per RBI guidelines. During the year your Company had to provide for ₹14.26 crores towards technical write off and provisions in certain accounts to comply with the guidelines of the Reserve Bank of India (₹4.24 crores in the previous year). The Management of your Company is making efforts to recover amounts in accounts where security receipts were written off or provisions made in earlier years.

**ARC Industry Outlook: Recommendations of the Committee set up by the Reserve Bank of India:**

The Reserve Bank of India had, in April 2021, set up a six-member committee under the Chairmanship of Sri. Sudarshan Sen, former Executive Director, RBI. The scope of the Committee was to review the legal and regulatory framework, business models of ARCs and to recommend measures to improve efficacy, resolution of stressed assets including under IBC, to improve liquidity in and trading of SRs and other matters relating to transparency and governance of ARCs. The Committee had submitted its recommendations to the RBI in September 2021 and basing on the recommendations of the Committee, the RBI, in October 2022 issued revised guidelines on matters relating to corporate governance and certain operational issues. A few of them which have a bearing on your Company's working are discussed below.

1. Tenure of MD / CEO or WTD shall not be for more than five years at a time and the post cannot be held by the same incumbent for more than fifteen years continuously.
2. No person shall continue as MD / CEO or WTD beyond the age of 70 years.
3. The Chairperson of the Board shall not be a member of the Audit Committee.
4. Settlement of dues with borrowers shall be done only after the proposals are examined by an Independent Advisory Committee which shall consist of professionals having technical / finance / legal background.
5. The settlement amount should be in accordance with guidelines issued on the Net Present Value of settlement amount.
6. The present minimum Net Owned Fund (NOF) for ARCs is ₹100 crores. ARCs are required to achieve a minimum NOF of ₹200 crores by 31<sup>st</sup> March, 2024 and ₹300 crores by 31<sup>st</sup> March, 2026.
7. ARCs are permitted to deploy available surplus funds in short term instruments, viz., money market mutual funds, certificates of deposit, corporate bonds / commercial paper which have a short-term rating equivalent to long term rating of AA- or above.
8. ARCs are permitted to invest in SRs at a minimum of either 15% of the transferor's investment in SRs or 2.5% of the total SRs issued, whichever is higher.

The Board of your Company has put in place modifications in policy documents to ensure compliance with the revised guidelines.

In line with the corporate governance initiatives, Sri. M. Gopala Krishnaiah, Whole-time Director, demitted office on 10<sup>th</sup> April, 2023 and Sri. Ch. Rama Prasad, Chief Executive Officer is designated as Managing Director and CEO w.e.f. 11<sup>th</sup> April, 2023. The Board of your Company has also approved to increase the authorized share capital of the Company from the existing ₹150 crores to ₹200 crores and necessary resolutions are placed before the Members for approval.

While the stipulation that ARCs need to invest 2.5% of the total SRs issued when the selling bank / FI is not participating in the acquisition, is a welcome feature and provides relief to ARCs, increasing the NOF from ₹100 crore to ₹300 crore in a glide path is a tough norm to comply, particularly for smaller ARCs in the context of reduced margins and increased time lines for resolution of debts.

### Future Prospects:

On asset acquisition, two issues which have been hindering the business of ARCs are sale of assets on cash basis and fixation of high reserve prices by seller banks. On the resolutions front delays in resolving legal issues is the major stumbling block. The Sudarshan Sen Committee appointed by the RBI has not made any recommendations in the direction of providing relief to ARCs in these areas. It is necessary that individual ARCs align their strategies to suit the present trends in industry. The Asset Reconstruction companies should associate and partner with FPIs, AFIs 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 is fast disappearing. Acquisition of debts with a proper resolution / restructuring plan with a time bound exit route in the backdrop is the order of the day. The smaller 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 acquisitions
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, resolutions are not taking place at the expected pace at the ground level. This is due to the attitude of the borrowers to litigate continuously. In DRTs and DRATs also matters are pending for a very long time 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 developing a secondary market for trading in security receipts so that more investors will participate 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 the 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 6 times during the year on 11.04.2022, 25.05.2022, 27.06.2022, 05.09.2022, 15.11.2022 and 11.03.2023.

Attendance of Directors at Board Meetings and at the last Annual General Meeting held on 05.09.2022 during 2022-23:

Name of the Director	Category	Attendance at meetings during 2022-23	
		Board Meetings	Last AGM
Dr. Pamidi Kotaiah, Chairperson	Non-Executive Independent Director	6	Yes
Sri. Vepa Kamesam	Non-Executive Independent Director	6	No
Ms. K. Sujatha Rao	Non-Executive Independent Director	6	No
Sri. Richard B Saldanha	Non-Executive Independent Director	6	No
Sri. Koteswara Rao SSR	Non-Executive Independent Director	6	Yes
Sri. M. Siva Rama Vara Prasad	Non-Executive Promoter Director	6	Yes
Sri. Vinayak Krishna Sardeshpande*	Director nominated by Punjab National Bank	-	-
Sri. M. Gopala Krishnaiah**	Executive Whole-time Director	6	Yes
Sri. Ch. Rama Prasad***	Executive Managing Director & CEO	-	-

\* Sri. Vinayak Krishna Sardeshpande resigned from the Company w.e.f. 29.04.2022.

\*\* Sri. M. Gopala Krishnaiah demitted office as Whole-time Director from the Company on 10.04.2023.

\*\*\*Sri. Ch. Rama Prasad appointed as Managing Director & CEO w.e.f. 11.04.2023.



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 (a member w.e.f. 15.11.2022)
4. Sri. M. Siva Rama Vara Prasad, Non-Executive Promoter Director (a member w.e.f. 15.11.2022)
5. Dr. Pamidi Kotaiah, Non-Executive Independent Director (not a member w.e.f. 15.11.2022)
6. Sri. M. Gopala Krishnaiah, Executive Whole-time Director (not a member w.e.f. 15.11.2022)

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 2022-23 on 27.06.2022, 05.09.2022, 15.11.2022 and 11.03.2023. The members were present at all the 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. Ch. Rama Prasad, Executive Managing Director & CEO (a member w.e.f. 11.04.2023)
6. Sri. M. Gopala Krishnaiah, Executive Whole-time Director (not a member w.e.f. 11.04.2023)

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 2022-23 on 30.04.2022, 30.05.2022, 27.06.2022, 25.07.2022, 27.08.2022, 28.09.2022, 28.10.2022, 29.11.2022, 29.12.2022, 30.01.2023, 28.02.2023 and 25.03.2023.

### 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. M. Gopala Krishnaiah, Executive Whole-time Director (not a member w.e.f. 15.11.2022)
5. Ms. K. Sujatha Rao, Non-Executive Independent Director (not a member w.e.f. 15.11.2022)
6. Sri. Ch. Rama Prasad, Executive Managing Director & CEO (a member w.e.f. 11.04.2023)

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 2022-23 on 27.06.2022 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 twice during the financial year 2022-23 on 27.06.2022 and 15.11.2022 and all the members were present at all the 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 09.06.2023.

Your Directors' state that during the financial year 2022-23 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 2022-23 on 11.03.2023. 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 2022-23, 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.
- As per revised guidelines of the Reserve Bank of India issued on 11.10.2022, Sri. M. Gopala Krishnaiah demitted office of Whole-time Director on 10.04.2023.
- Sri. Ch. Rama Prasad was appointed as an Additional Director on the Board in the capacity of the Managing Director & CEO on 11.04.2023 after no objection was conveyed by the Reserve Bank of India on 18.12.2022. He holds office upto the conclusion of this Annual General Meeting.

The Board of Directors in its meeting held on 26.06.2023 on the recommendation of the Nomination and Remuneration Committee, recommended to the Members for confirmation of appointment of Sri. Ch. Rama Prasad as Managing Director & CEO of the Company. The resolution seeking approval of the Members for confirmation of appointment of Sri. Ch. Rama Prasad as Managing Director & CEO is incorporated in the Notice of the forthcoming Annual General Meeting of the Company along with 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. M. Gopala Krishnaiah, Whole-time Director demitted office w.e.f. 10.04.2023 and Sri. Ch. Rama Prasad, Chief Executive Officer was appointed as Managing Director & CEO w.e.f. 11.04.2023 upto 03.04.2024.

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 5<sup>th</sup> September, 2022, shall continue as Auditors till the conclusion of the 20<sup>th</sup> 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. The 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 2022-23.

## 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 2022-23 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 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 is given in Annexure-IV in the prescribed Form MGT-9, which forms part of this Report. The same is available on the website of the Company.

### 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 31<sup>st</sup> March, 2023, 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 31<sup>st</sup> March, 2023 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 31<sup>st</sup> March, 2023 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: 26.06.2023

**Dr. Pamidi Kotaiah**  
Chairperson



## ANNEXURE I TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 01.04.2022 TO 31.03.2023

[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 01<sup>st</sup>, 2022 to March 31<sup>st</sup>, 2023 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 01<sup>st</sup>, 2022 to March 31<sup>st</sup>, 2023 according to the provisions of:
  - i. The Companies Act, 2013 (the Act), the rules and amendments made there under; the Memorandum and Articles of Association therein.
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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 (Buyback 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 15<sup>th</sup> Annual General Meeting held on September 05<sup>th</sup>, 2022.
  - 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 Whole-Time Director.
  - xi. Appointment and Remuneration of Auditors.
  - xii. There are no investments of the company funds made and no inter-corporate loans given for the period.
  - xiii. The Company doesn't have any subsidiaries.
  - xiv. 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.
  - xv. Allotment of Secured, Unlisted, Unrated, Redeemable, Non-convertible Debentures.
  - xvi. Director's report is in accordance to the provisions.
  - xvii. Contracts, Common seal, Registered Office and Publication of Name of the Company are as per the provisions.
  - xviii. The provisions with regard to appointment of Women director.
  - xix. The provisions of Corporate Social responsibility (CSR).
  - xx. Transfer and Transmission of Shares.
  - xxi. Charge creations, Modifications and Satisfaction.
  - xxii. All other applicable provisions of the Act and the Rules made 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 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**

ACS: 54824; C.P No: 21591

Partner

**ARUN & PAVAN ASSOCIATES**

Company Secretaries

Peer Review Certificate No.2242/2022

**Place:** Hyderabad

**Date:** 01.06.2023

**UDIN:** A054824E000439945

*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 : 01.06.2023

Name of Company Secretary  
**PHANISAI ARUNKUMAR MOGANTI**  
ACS: 54824; 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 31<sup>st</sup> March, 2023, 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 31<sup>st</sup> March, 2023, 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 01.04.2020	Maintenance charges@ ₹8.25 / sft. On par with other occupants of the building. Transactions during the year ₹11.61 lakhs.	Executive Committee approved on 21.03.2020	-
M/s. BitKemy Ventures India Ltd. (now M/s.BitKemy Technologies Pvt Ltd.) (Sri. M. Siva Rama Vara Prasad, Director, is Director in M/s.BitKemy Ventures India Ltd.)	Maintenance of software for operations	Annual maintenance	Maintenance of ₹10 Lakhs p.a.	Audit Committee approved on 25.05.2016	-

M/s. Touchstone Equities Ltd. (now M/s.Touchstone Capital Ltd.) (Sri. M. Siva Rama Vara Prasad, Director and Sri. M. Gopala Krishnaiah, Whole-time Director are Directors)	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 Equities Ltd. (now M/s. Touchstone Capital Ltd.) (Sri. M. Siva Rama Vara Prasad, Director and Sri. M. Gopala Krishnaiah, Whole-time Director are Directors)	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 : 26.06.2023

**Ch. Rama Prasad**  
Managing Director & CEO

## ANNEXURE III TO DIRECTORS' REPORT

### Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2022-23

#### 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 y
1.	Dr. Pamidi Kotaiah*	Non-Executive Independent Director	-	-
2.	Sri. Vepa Kamesam	Non-Executive Independent Director	1	1
3.	Sri. M. Siva Rama Vara Prasad	Non-Executive Promoter Director	1	1
4.	Smt. K. Sujatha Rao**	Non-Executive Independent Director	1	1
5.	Sri. M. Gopala Krishnaiah***	Executive Whole-time Director	1	1
6.	Sri. Ch. Rama Prasad****	Executive Managing Director & CEO	-	-

\*Dr. Pamidi Kotaiah is member in the Committee w.e.f. 15.11.2022

\*\* Ms. K. Sujatha is not a member w.e.f. 15.11.2022.

\*\*\*Sri. M. Gopala Krishnaiah is not a member w.e.f. 10.04.2023.

\*\*\*\*Sri. Ch. Rama Prasad is a member w.e.f. 11.04.2023.

#### 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) - ₹13,54,27,514/-
7. (a) Two percent of average net profit of the company as per section 135(5) - ₹27,08,550/-  
 (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) - ₹27,08,550/-
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ In Lakhs)	Amount Unspent (₹ 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
27.08	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)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
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	Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	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	12.00 Lakhs	No	Kovvali Development Trust
2	Education	Promoting education, including special education among children	No	Andhra Pradesh Vizianagaram district	5.08 Lakhs	No	Sodhana Charitable Trust
3	Medical services	Multispecialty clinic building furniture and equipment	No	Telangana Hyderabad	10 Lakhs	No	Chandra Rajeswara Rao Foundation for Social Progress (CR Foundation)

(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) - ₹27,08,550/-

(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)	27.08
(ii)	Total amount spent for the Financial Year	27.08
(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 : 26.06.2023

**Ch. Rama Prasad**  
Managing Director & CEO

**Dr. Pamidi Kotaiah**  
Chairperson - CSR Committee



## ANNEXURE IV TO DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31<sup>st</sup> March, 2023

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

1. CIN: **U67120TG2007PLC053327**
2. Registration Date: **27<sup>th</sup> March, 2007**
3. Name of the Company: **Pridhvi Asset Reconstruction And Securitisation Company Limited**
4. Category / Sub-Category of the Company: **Public Company / Limited by shares**
5. Address of the Registered Office and contact details:  
**D.No.1-55, Raja Praasadamu,  
4<sup>th</sup> Floor, Wing-I,  
Masjid Banda Road,  
Kondapur,  
Hyderabad – 500 084.  
Tel: 040-41413333**
6. Whether listed Company: **No**
7. Name, Address and Contact details of Registrar and Transfer Agent, if any:  
**KFin Technologies Limited  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District,  
Nanakramguda, Hyderabad – 500 032.  
Tel: 040-67162222**

### II. Principal Business Activities of the Company:

All the business activities contributing 10% or more of the total turnover of the Company are given below:

S.No.	Name and Description of main products / services	NIC Code of the product/ service	% to total turnover of the Company
1	Other financial service activities, except insurance and pension funding activities	64990	100%

### III. Particulars of Holding, Subsidiary and Associate Company: NIL



#### IV. Shareholding Pattern (Equity share capital breakup as percentage of total equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2022]				No. of Shares held at the end of the year [As on 31-March-2023]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	4370101	-	4370101	43.70	4370101	-	4370101	43.70	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	150000	-	150000	1.50	150000	-	150000	1.50	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A1)</b>	<b>4520101</b>	<b>-</b>	<b>4520101</b>	<b>45.20</b>	<b>4520101</b>	<b>-</b>	<b>4520101</b>	<b>45.20</b>	<b>-</b>
(2) <b>Foreign</b>									
a) Individual/ HUF	1709753	1295636	3005389	30.05	1709753	1295636	3005389	30.05	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A2)</b>	<b>1709753</b>	<b>1295636</b>	<b>3005389</b>	<b>30.05</b>	<b>1709753</b>	<b>1295636</b>	<b>3005389</b>	<b>30.05</b>	<b>-</b>
<b>Total shareholding of Promoter A(1+2)</b>	<b>6229854</b>	<b>1295636</b>	<b>7525490</b>	<b>75.25</b>	<b>6229854</b>	<b>1295636</b>	<b>7525490</b>	<b>75.25</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	1599000	-	1599000	15.99	1599000	-	1599000	15.99	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>1599000</b>	<b>-</b>	<b>1599000</b>	<b>15.99</b>	<b>1599000</b>	<b>-</b>	<b>1599000</b>	<b>15.99</b>	<b>-</b>

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2022]				No. of Shares held at the end of the year [As on 31-March-2023]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	150000	25000	175000	1.75	150000	25000	175000	1.75	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	10	-	10	0.00	10	-	10	0.00	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	485500	215000	700500	7.01	485500	215000	700500	7.01	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies-D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>635510</b>	<b>240000</b>	<b>875510</b>	<b>8.76</b>	<b>635510</b>	<b>240000</b>	<b>875510</b>	<b>8.76</b>	<b>-</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2234510	240000	2474510	24.75	2234510	240000	2474510	24.75	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>8464364</b>	<b>1535636</b>	<b>10000000</b>	<b>100.00</b>	<b>8464364</b>	<b>1535636</b>	<b>10000000</b>	<b>100.00</b>	<b>-</b>

**ii) Shareholding of Promoter**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Sri. Motaparti Siva Rama Vara Prasad	1189753	11.89	-	1189753	11.89	-	-
2.	Smt. M. Rajya Lakshmi	4290101	42.90	-	4290101	42.90	-	-
3.	Sri.M.Rohit Prasad	600000	6.00	-	600000	6.00	-	-
4.	Sri.Mukesh Kumar Manubhai Patel	523909	5.24	-	523909	5.24	-	-
5.	Sri.Bimal Manubhai Patel	523909	5.24	-	523909	5.24	-	-
6.	Smt. Sushilaben Patel	123909	1.24	-	123909	1.24	-	-
7.	Smt. Mina H Patel	123909	1.24	-	123909	1.24	-	-
8.	M/s.Design Tribe India Pvt. Ltd	150000	1.50	-	150000	1.50	-	-
		<b>7525490</b>	<b>75.25</b>	<b>-</b>	<b>7525490</b>	<b>75.25</b>	<b>-</b>	<b>-</b>

**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.	Shareholder's Name	No. of Shares at the beginning of the year	% of total shares	Date	Increase / Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year	% change in share holding during the year
1.	Sri. Motaparti Siva Rama Vara Prasad	1189753	11.89	-	-	-	1189753	-
2.	Smt. M. Rajya Lakshmi	4290101	42.90	-	-	-	4290101	-
3.	Sri.M.Rohit Prasad	600000	6.00	-	-	-	600000	-
4.	Sri.Mukesh Kumar Manubhai Patel	523909	5.24	-	-	-	523909	-
5.	Sri.Bimal Bhai Manubhai Patel	523909	5.24	-	-	-	523909	-
6.	Smt. Sushilaben Patel	123909	1.24	-	-	-	123909	-
7.	Smt. Mina H Patel	123909	1.24	-	-	-	123909	-
8.	M/s.Design Tribe India Pvt. Ltd	150000	1.50	-	-	-	150000	-
		<b>7524490</b>	<b>75.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7525490</b>	<b>-</b>

iv) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Punjab National Bank				
	Opening balance:	999000	10.00	999000	9.99
	Transaction during the year:	-	-	-	-
	Closing balance:			999000	9.99
2	UCO Bank				
	Opening balance:	500000	5.00	500000	5.00
	Transaction during the year:	-	-	-	-
	Closing balance:			500000	5.00
3	M/s.Zen Securities Ltd				
	Opening balance:	150000	1.50	150000	1.50
	Transaction during the year:	-	-	-	-
	Closing balance:			150000	1.50
4	Smt. Radhika Donepudi				
	Opening balance:	109000	1.09	109000	1.09
	Transaction during the year:	-	-	-	-
	Closing balance:			109000	1.09
5	Union Bank of India				
	Opening balance:	100000	1.00	100000	1.00
	Transaction during the year:	-	-	-	-
	Closing balance:			100000	1.00
6	Sri. D. Babu Rao				
	Opening balance:	100000	1.00	100000	1.00
	Transaction during the year:	-	-	-	-
	Closing balance:			100000	1.00
7	Sri. Janarthanan Balasubramanian				
	Opening balance:	-	-	-	-
	Transaction during the year:	-	-	+100000	+1.00
	Closing balance:			100000	1.00
8	Sri. Satish Kantheti				
	Opening balance:	50000	0.50	50000	0.50
	Transaction during the year:	-	-	-	-
	Closing balance:			50000	0.50
9	Smt.Venkata Kameshwari Lakshmi Kumari				
	Opening balance:	50000	0.50	50000	0.50
	Transaction during the year:	-	-	-	-
	Closing balance:			50000	0.50
10	Smt. Sasi Rekha Devineni				
	Opening balance:	50000	0.50	50000	0.50
	Transaction during the year:	-	-	-	-
	Closing balance:			50000	0.50

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year:				
	<b>a) Directors:</b>				
	Sri. Motaparti Siva Rama Vara Prasad	1189753	11.89	1189753	11.89
	Sri. M. Gopala Krishnaiah*	10	0.00	10	0.00
	<b>b) Key Managerial Personnel</b>	<b>Nil</b>			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No change in the shareholding pattern of Directors			

\*Sri. M. Gopala Krishnaiah not a Whole-time Director w.e.f. 11.04.2023

**V. Indebtedness**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2022)</b>				
i) Principal Amount	44564.78	-	-	44564.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.64	-	-	0.64
<b>Total (i+ii+iii)</b>	<b>44565.42</b>	<b>-</b>	<b>-</b>	<b>44565.42</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	24.51	-	-	24.51
* Reduction	31180.50	-	-	31180.50
<b>Net Change</b>	<b>-31155.99</b>	<b>-</b>	<b>-</b>	<b>-31155.99</b>
<b>Indebtedness at the end of the financial year (31.03.2023)</b>				
i) Principal Amount	13384.28	-	-	13384.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	25.15	-	-	25.15
<b>Total (i+ii+iii)</b>	<b>13409.43</b>	<b>-</b>	<b>-</b>	<b>13409.43</b>

## VI. Remuneration of Directors and Key Managerial Personnel

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager	
		Sri. M. Gopala Krishnaiah, WTD	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24.00	24.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify	-	-
5	Others: Conveyance, Medical expenditure, etc.	-	-
	<b>Total (A)</b>	<b>24.00</b>	<b>24.00</b>

### B. Remuneration to other directors:

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Fee for attending board committee meetings	Commission	Others, please specify	Total
1	<b>Independent Directors</b>				
	1. Dr. Pamidi Kotaiah	9.50	-	-	9.50
	2. Sri. Vepa Kamesam	5.30	-	-	5.30
	3. Ms. K. Sujatha Rao	3.30	-	-	3.30
	4. Sri. Richard B Saldanha	6.30	-	-	6.30
	5. Sri Koteswara Rao SSR	9.50	-	-	9.50
	Total (1)	<b>33.90</b>	-	-	<b>33.90</b>
2	<b>Other Non-Executive Directors</b>				
	1. Sri. M. Siva Rama Vara Prasad	8.90	-	-	8.90
	Total (2)	<b>8.90</b>	-	-	<b>8.90</b>
	<b>Total (B)=(1+2)</b>	<b>42.80</b>	-	-	<b>42.80</b>
	<b>Total Managerial Remuneration (A+B)</b>	<b>66.80</b>	-	-	<b>66.80</b>
	Overall Ceiling as per the Act	NA			

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		Sri. Ch. Rama Prasad, CEO	Sri. V. S. Ranga Rao, CFO	Smt. V. Vani, CS	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	41.71	22.79	19.04	83.54
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others	3.30	5.40	4.80	13.50
	<b>Total</b>	<b>45.01</b>	<b>28.19</b>	<b>23.84</b>	<b>97.04</b>

VII. Penalties / Punishment / Compounding of Offence: Nil

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. Company</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. Other Officers in default</b>					
Penalty			NIL		
Punishment					
Compounding					



## INDEPENDENT AUDITORS' 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 31<sup>st</sup> 2023, 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, 2023, 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 Directors' 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 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the director is disqualified as on March 31<sup>st</sup>, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". 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 (g) 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.
- d. The company has not declared nor paid dividend during the year.

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

**(K Kavya)**  
Partner  
Membership No.223355  
UDIN: 23223355BGGYKKE4579

Place : Hyderabad  
Date : 26.06.2023

## Annexure-A to the Independent Auditors' 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<sup>st</sup> March 2023. 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 31<sup>st</sup> March 2023 for a period of more than six months from the date they became payable.

- b) As at 31<sup>st</sup> March 2023, 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 made any initial public offer or further public offer during the year under review. Money raised through issue of Non-Convertible Debentures were applied for the purpose for which those are raised.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year under review. Consequently, the clause 3(x)(b) of the order is not applicable.
- 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: 23223355BGYGKE4579

Place : Hyderabad  
Date : 26.06.2023

## Annexure-B to the Independent Auditors' 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 31<sup>st</sup> March, 2023 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 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**(K Kavya)**  
Partner  
Membership No.223355  
UDIN: 23223355BGYGKE4579

Place : Hyderabad  
Date : 26.06.2023

## Balance Sheet as at 31<sup>st</sup> March, 2023

(₹ In Lakhs)

Particulars	Note	As at 31.03.2023	As at 31.03.2022
<b>Equity and Liabilities</b>			
<b>i) Share holders' funds</b>			
Share Capital	02	10000.00	10000.00
Reserves and Surplus	03	3779.55	3129.13
		<b>13779.55</b>	<b>13129.13</b>
<b>ii) Non-current Liabilities</b>			
Long-term borrowings	04	2900.00	43460.00
Deferred tax liability	30	-	-
Other long-term liabilities	05	-	-
		<b>2900.00</b>	<b>43460.00</b>
<b>iii) Current Liabilities</b>			
Short-term borrowings	06	10484.28	1104.78
Trade Payables	07	-	-
Other current Liabilities	08	1469.77	2345.86
Short-term provisions	09	21.75	42.48
		<b>11975.80</b>	<b>3493.12</b>
<b>Total</b>		<b>28655.35</b>	<b>60082.25</b>
<b>Assets</b>			
<b>1) Non-current Assets</b>			
<b>i) Property, Plant &amp; Equipment</b>	10		
Tangible Assets		514.28	537.54
Intangible Assets		4.27	4.45
		<b>518.55</b>	<b>541.99</b>
<b>ii) Non-current investments</b>	11	4093.37	46154.96
Deferred Tax Asset (Net)	30	32.47	124.87
Long-term loans and advances	12	0.97	0.97
Other non-current assets	13	5.09	5.03
Other Investments	14	1740.11	1740.11
		<b>5872.01</b>	<b>48025.94</b>
<b>2) Current Assets</b>			
Current investments	11	15745.05	9842.56
Trade Receivables	15	1899.75	1348.88
Cash and bank balances	16	4315.61	305.77
Short-term loans and advances	12	13.77	16.75
Other current assets	13	290.61	0.36
		<b>22264.79</b>	<b>11514.32</b>
<b>Total</b>		<b>28655.35</b>	<b>60082.25</b>
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

**Ch. Rama Prasad**  
Managing Director & CEO  
DIN: 07030015

**V.Vani**  
Company Secretary

Place: Hyderabad  
Date: 26.06.2023

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2023

(₹ In Lakhs)

Particulars	Note	Year ended 31.03.2023	Year ended 31.03.2022
<b>Income</b>			
Revenue from operations	17	3539.18	3293.67
Other income	18	52.72	17.89
<b>Total Income (I)</b>		<b>3591.90</b>	<b>3311.56</b>
<b>Expenses</b>			
Employee benefits expense	19	275.18	271.24
Finance Cost	20	634.05	176.54
Depreciation	10	25.57	26.06
Other expenses	21	1768.65	721.40
<b>Total expenses (II)</b>		<b>2703.45</b>	<b>1195.24</b>
<b>Profit before tax and exceptional items (I) - (II)</b>		<b>888.45</b>	<b>2116.32</b>
Exceptional items			
<b>Profit after exceptional items and before tax</b>		<b>888.45</b>	<b>2116.32</b>
<b>Tax expenses</b>			
Current Year tax		147.76	618.73
Earlier years Tax		(2.13)	1.24
Deferred tax	30	92.40	(85.51)
<b>Total tax expenses</b>		<b>238.03</b>	<b>534.46</b>
<b>Profit after tax</b>		<b>650.42</b>	<b>1581.86</b>
<b>Earnings per equity share (Face Value ₹100/- each)</b> Basic & Diluted	29	<b>6.50</b>	<b>15.82</b>

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

Place: Hyderabad  
Date: 26.06.2023

For and on behalf of the Board

**Dr.Pamidi Kotaiah**  
Chairperson  
DIN: 00038420

**V. S. Ranga Rao**  
Chief Financial Officer

**Ch. Rama Prasad**  
Managing Director & CEO  
DIN: 07030015

**V.Vani**  
Company Secretary

## Cash flow statement for the year ended 31<sup>st</sup> March, 2023

(₹ In Lakhs)

S.No.	Particulars	As at 31.03.2023	As at 31.03.2022
<b>A.</b>	<b>Cash flow from operating activities:</b>		
	Profit/(Loss) for the year before Tax	888.45	2116.32
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation of property, plant and equipment	25.57	26.07
	Finance costs	634.05	176.54
	Reversal of Management fee	51.86	57.28
	Security Receipts written off	1099.24	113.36
	Provision made for downgrading in rating of SRs	327.41	311.09
	Rental Income from investments	(3.38)	(3.37)
	<b>Operating profit before working capital changes</b>	<b>3023.20</b>	<b>2797.29</b>
	<b>Movement in Working Capital:</b>		
	(Increase)/Decrease in Trade receivables	(602.73)	(374.34)
	(Increase)/Decrease in Current and other non-current assets	(287.34)	191.03
	(Increase)/Decrease in Current liabilities	(901.40)	106.17
	(Increase)/Decrease in Trade payables	-	-
	<b>Cash generated from operations</b>	<b>1231.73</b>	<b>2720.15</b>
	Income tax (paid)/refund	(166.21)	(627.51)
	<b>Net Cash generated in operations</b>	<b>1065.52</b>	<b>2092.64</b>
<b>B.</b>	<b>Cash flow from investing activities:</b>		
	Sale of fixed assets	0.02	0.00
	Additions of property, plant & equipment	(2.14)	(1.34)
	Amount received from Security Receipts (on redemption by trusts)	43974.75	1298.13
	Amount received on sale of Security Receipts	10110.50	-
	Amount paid towards Security Receipts	(19352.80)	(44344.00)
	Rental Income from investments	3.38	3.37
	<b>Net cash flows used in investing activities</b>	<b>34733.71</b>	<b>(43043.84)</b>
<b>C.</b>	<b>Cash flow from financing activities:</b>		
	Receipts/(Repayments) from bank	2934.00	(1319.09)
	Finance Costs	(608.90)	(176.54)
	Receipts (payments) from (to) Non-Convertible Debentures	(34114.50)	43460.00
	Dividends paid	-	(1000.00)
	<b>Net cash flows/(used in) financing activities</b>	<b>(31789.40)</b>	<b>40964.37</b>
	<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>4009.83</b>	<b>13.17</b>
	Opening balance of cash and cash equivalents	305.78	292.61
	<b>Closing balance of cash and cash equivalents</b>	<b>4315.61</b>	<b>305.78</b>

**Note: 1.** Cash and cash equivalents include deposit of ₹21.52 lakhs (PY ₹20.51 lakhs) in Union Bank of India, being amount paid by Keygien Global Ltd., in PARAS-SBIG-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 ₹293.29 lakhs (PY ₹280.19 lakhs) deposited by the company with Union Bank of India as cash collateral for SOD limit of ₹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.

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

Place: Hyderabad  
Date: 26.06.2023

For and on behalf of the Board

**Dr.Pamidi Kotaiah**  
Chairperson  
DIN: 00038420

**V. S. Ranga Rao**  
Chief Financial Officer

**Ch. Rama Prasad**  
Managing Director & CEO  
DIN: 07030015

**V.Vani**  
Company Secretary

## Notes on financial statements for the year ended 31<sup>st</sup> March, 2023

### 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 expenses incurred in 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 basic 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 31<sup>st</sup> March, 2023

### 2. Share capital

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Authorized shares</b> 15,000,000 equity shares of ₹100/- each	15000.00	15000.00
<b>Issued, subscribed and fully paid-up shares</b> 10,000,000 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	As at 31.03.2023		As at 31.03.2022	
	Number	Amount	Number	Amount
At the beginning of the year	10,000,000	10000.00	10,000,000	10000.00
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>10,000,000</b>	<b>10000.00</b>	<b>10,000,000</b>	<b>10000.00</b>

#### 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.

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

Equity Shares	As at 31.03.2023		As at 31.03.2022	
	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	11.90%	1,189,753	11.90%
Punjab National Bank	999,000	9.99%	999,000	9.99%
Sri.M.Rohit Prasad	600,000	6.00%	600,000	6.00%
Sri. Mukesh Kumar Manubhai Patel	523,909	5.24%	523,909	5.24%
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 31<sup>st</sup> March, 2023

### e. 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.	Smt. Sushilaben Patel	123,909	1.24	-
7.	Smt. Mina H Patel	123,909	1.24	-
8.	M/s.Design Tribe India Pvt. Ltd	150,000	1.50	-
	<b>Total</b>	<b>7,525,490</b>	<b>75.25</b>	<b>-</b>

### Shareholding of Promoters as on 31.03.2022:

Shares held by the promoters as on 31.03.2022				% 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	+15.71
3.	Sri.M.Rohit Prasad	600,000	6.00	-
4.	Dr. Murali Krishna Prasad Divi	-	-	-15.70
5.	Sri.Mukesh Kumar Manubhai Patel	523,909	5.24	-
6.	Sri.Bimal Manubhai Patel	523,909	5.24	-
7.	Smt. Sushilaben Patel	123,909	1.24	-
8.	Smt. Mina H Patel	123,909	1.24	-
9.	M/s.Design Tribe India Pvt. Ltd	150,000	1.50	-
	<b>Total</b>	<b>7,525,490</b>	<b>75.25</b>	<b>+0.01</b>



## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### 3. Reserves and Surplus

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>A. General Reserve</b>		
Balance as per the last financial statement	1500.00	1000.00
Add: Amount transferred from surplus in the statement of profit and loss	500.00	500.00
Add: Debenture redemption reserve	350.00	-
<b>Total (A)</b>	<b>2350.00</b>	<b>1500.00</b>
<b>B. Surplus in the statement of profit and loss</b>		
Balance as per last financial statements	1629.13	1547.27
Profit for the year	650.42	1581.86
	<b>2279.55</b>	<b>3129.13</b>
<b>Less: Appropriations</b>		
Dividend for FY 2020-21	-	1000.00
Transfer to general reserve	500.00	500.00
Transfer to Debenture Redemption Reserve	350.00	-
<b>Total appropriations</b>	<b>850.00</b>	<b>1500.00</b>
<b>Net surplus in the statement of profit and loss</b>	<b>Total (B)</b>	<b>1629.13</b>
<b>Total reserves and surplus</b>	<b>(A)+(B)</b>	<b>3129.13</b>

### 4. Long-term borrowings (Secured)

(₹ in Lakhs)

Particulars	Non-current portion		Current portion*	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
NCDs issued to Jajpur Cements Pvt Ltd.,	-	42960.00	-	-
NCDs issued to RV Consulting Services Pvt Ltd.,	-	500.00	-	-
NCDs issued to Blacksoil Capital Pvt Ltd.,	1650.00	-	350.00	-
NCDs issued to Blacksoil Credit Fund.,	1250.00	-	250.00	-
NCDs issued to Touchstone Trust Scheme-III.,	-	-	5845.50	-
<b>Total</b>	<b>2900.00</b>	<b>43460.00</b>	<b>6445.50</b>	<b>-</b>

\* NCDs for ₹6,445.50 lakhs are payable within one year and are shown in Short Term borrowings.

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

Disclosure on Repayment schedule of the above NCDs. All NCDs are issued at par on private placement basis.

(₹ in Lakhs)

Name of the investor	NCDs issued @coupon rate	Value of SR's Pledged	NCD's Outstanding as on 31.03.2023	Total no. of installments	Installment amount due during the FY 2023-24
Blacksoil Capital Pvt Ltd.,	NCDs for ₹1500 lakhs issued @ coupon rate 16.50%	4251.51	1500.00	7	300
Blacksoil India Credit Fund.,	NCDs for ₹1000 lakhs issued @ coupon rate 16.50%		1000.00	7	200
Blacksoil Capital Pvt Ltd	NCDs for ₹500 lakhs issued @ coupon rate 16.00%	1356.58	500.00	7	50
Blacksoil India Credit Fund.,	NCDs for ₹500 lakhs issued @ coupon rate 16.00%		500.00	7	50
Touchstone Trust Scheme-III.,	NCDs for ₹6907.50 lakhs issued @ coupon rate 0.01%	5845.50	5845.50**	-	-

- \*\* NCDs for ₹5845.50 lakhs are payable from out of the proceeds of redemption of Security Receipts pledged to the investors.
- SRs of value ₹4251.51 lakhs are common security for NCDs for ₹1500 lakhs of Blacksoil Capital Pvt Ltd. and NCDs for Rs. 1000 lakhs of Blacksoil India Credit Fund.
- SRs of value ₹1356.58 lakhs are common security for NCDs for ₹500 lakhs of Blacksoil Capital Pvt Ltd. and NCDs for ₹500 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.

### 5. Other Long-term liabilities & provisions

(₹ in Lakhs)

Particulars	Non-current portion		Current portion	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Total	-	-	-	-

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### 6. Short-term borrowings (Secured)

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Secured Overdraft from Union Bank of India	4038.78	1104.78
NCDs issued to Blacksoil Capital Pvt Ltd.,	350.00	-
NCDs issued to Blacksoil Credit Fund.,	250.00	-
NCDs issued to Touchstone Trust Scheme-III.,	5845.50	-
<b>Total</b>	<b>10484.28</b>	<b>1104.78</b>

- 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 1-year MCLR (presently 8.25%) + 2.00 % p.a. = 10.25% p.a. Over Draft limit is ₹ 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 31.03.2023		As at 31.03.2022	
	Details	Amount	Details	Amount
(A) Total outstanding dues of Micro and Small Enterprises	-	-	-	-
(B) Total outstanding dues other than Micro and Small Enterprises	-	-	-	-
<b>Total</b>	-	-	-	-

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 31.03.2023	As at 31.03.2022
(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 31.03.2023: Nil

## 8. Other current liabilities

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
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 *	21.52	20.52
Money payable to Sekhar Stores	20.94	21.35
Money received towards sale of assets	380.62	1270.28
<b>a) Statutory dues payable</b>		
a. Tax deducted at Source	16.54	6.01
b. Profession Tax	0.03	0.03
c. GST	13.56	24.38
<b>b) Others</b>		
a. Interest accrued on NCDs but not due	25.15	0.64
b. Others	8.91	20.15
<b>Total</b>	<b>1469.77</b>	<b>2345.86</b>

\*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 31.03.2023 is ₹ 21.52 lakhs & value as on 31.03.2022 is ₹ 20.52 lakhs).

## 9. Short term provisions

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Income tax payable (net of prepaid taxes)	-	20.58
Gratuity and Leave encashment premium payable to LIC	21.75	21.90
<b>Total</b>	<b>21.75</b>	<b>42.48</b>

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### 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
<b>A- Tangible Assets</b>										
Buildings	586.68	-	-	586.68	83.34	9.29	-	92.63	494.05	503.34
Furniture and 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
<b>Total (A)</b>	<b>787.31</b>	<b>1.25</b>	<b>4.23</b>	<b>784.33</b>	<b>249.76</b>	<b>24.50</b>	<b>4.21</b>	<b>270.05</b>	<b>514.28</b>	<b>537.54</b>

### 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
<b>Total (B)</b>	<b>58.80</b>	<b>0.89</b>	<b>-</b>	<b>59.69</b>	<b>54.35</b>	<b>1.07</b>	<b>-</b>	<b>55.42</b>	<b>4.27</b>	<b>4.45</b>
<b>Grand Total (A+B)</b>	<b>846.11</b>	<b>2.14</b>	<b>4.23</b>	<b>844.02</b>	<b>304.11</b>	<b>25.57</b>	<b>4.21</b>	<b>325.47</b>	<b>518.55</b>	<b>541.99</b>

**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 2023. (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<sup>st</sup> March, 2023

Property, Plant & Equipment as on 31.03.2022 (₹. In Lakhs)

Description	Gross Block			Depreciation			Net Block			
	As at 31.03.2021	Additions	Deletions	As at 31.03.2022	Upto 31.03.2021	For the Year	Deletions	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
<b>A- Tangible Assets</b>										
Buildings	586.68	-	-	586.68	74.05	9.29	-	83.34	503.34	512.63
Furniture and Fixtures	137.11	-	-	137.11	97.36	12.71	-	110.07	27.04	39.75
Data Processing Equipment	26.20	1.34	0.90	26.64	21.51	1.62	0.90	22.23	4.41	4.69
Office Equipment	15.79	-	-	15.79	15.21	0.01	-	15.22	0.56	0.58
Vehicles	20.87	-	-	20.87	17.10	1.58	-	18.68	2.19	3.77
Library	0.22	-	-	0.22	0.22	-	-	0.22	0.00	0.00
<b>Total (A)</b>	<b>786.87</b>	<b>1.34</b>	<b>0.90</b>	<b>787.31</b>	<b>225.45</b>	<b>25.21</b>	<b>0.90</b>	<b>249.76</b>	<b>537.54</b>	<b>561.42</b>

## B- Intangible Assets

Description	Gross Block			Depreciation			Net Block			
	As at 31.03.2021	Additions	Deletions	As at 31.03.2022	Upto 31.03.2021	For the Year	Deletions	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Computer software	58.80	-	-	58.80	53.50	0.85	-	54.36	4.45	5.30
<b>Total (B)</b>	<b>58.80</b>	<b>-</b>	<b>-</b>	<b>58.80</b>	<b>53.50</b>	<b>0.85</b>	<b>-</b>	<b>54.36</b>	<b>4.45</b>	<b>5.30</b>
<b>Grand Total (A+B)</b>	<b>845.67</b>	<b>1.34</b>	<b>0.90</b>	<b>846.11</b>	<b>278.95</b>	<b>26.06</b>	<b>0.90</b>	<b>304.12</b>	<b>541.99</b>	<b>566.72</b>

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### 11. Investments

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
<b>Investment in special purpose vehicles (valued at cost and fully paid up unless stated otherwise)Unquoted security receipts (SRs)</b>				
1) PARAS-RTP-032 Trust 0 (31 <sup>st</sup> March 2022: 3575) SRs of ₹1,000/- each	-	-	-	35.75
2) PARAS-SBIKG-033 Trust 0 (31 <sup>st</sup> March 2022: 2457) SRs of ₹10,000/- each	-	-	-	245.70
3) PARAS-SBH2015-035 Trust 0 (31 <sup>st</sup> March 2022: 39960) SRs of ₹1,000/- each	-	-	-	399.60
4) PARAS-SBH-2015-036 Trust 0 (31 <sup>st</sup> March 2022: 723) SRs of ₹10,000/- each	-	-	-	72.30
5) PARAS-SPML-038 Trust 0 (31 <sup>st</sup> March 2022: 3924) SRs of ₹10,000/- each	-	-	-	392.40
6) PARAS-MACL-039 Trust 0 (31 <sup>st</sup> March 2022: 30105) SRs of ₹1,000/- each	-	-	-	301.05
7) PARAS-SPEPL-040 Trust 0 (31 <sup>st</sup> March 2022: 3105) SRs of ₹1,000/- each	-	-	-	31.05
8) PARAS-MSL-046 Trust 0 (31 <sup>st</sup> March 2022: 375) SRs of ₹1,00,000/- each	-	-	-	375.00
9) PARAS-ATL-047 Trust 0 (31 <sup>st</sup> March 2022: 3105) SRs of ₹1,000 /- each	-	-	-	31.05
10) PARAS-SPPL-049 Trust 3808 (31 <sup>st</sup> March 2022: 3808) SRs of ₹10,000/- each	-	-	380.80	380.80
11) PARAS-HLPL-050 Trust 0 (31 <sup>st</sup> March 2022: 108) SRs of ₹10,000/- each	-	-	-	10.80
12) PARAS-CMI-052 Trust 0 (31 <sup>st</sup> March 2022: 10035) SRs of ₹1000/- each	-	-	-	100.35
13) PARAS-SPPLOBC-053 Trust 30402 (31 <sup>st</sup> March 2022: 30402) SRs of ₹1000/- each	-	-	304.02	304.02
14) PARAS-VMC-054 Trust 231 (31 <sup>st</sup> March 2022: 231) SRs of ₹1,00,000/- each	-	-	231.00	231.00
15) PARAS-SOUB-055 Trust 190 (31 <sup>st</sup> March 2022: 234) SRs of ₹1,00,000/- each	90.00	234.00	100.00	-
16) PARAS-DB2016-056 Trust 12757 (31 <sup>st</sup> March 2022: 12757) SRs of ₹1000/- each	-	-	127.57	127.57
17) PARAS-RVS-059 Trust 229 (31 <sup>st</sup> March 2022: 229) SRs of ₹100,000/- each	-	-	229.00	229.00
<b>CF</b>	<b>90.00</b>	<b>234.00</b>	<b>1372.39</b>	<b>3267.44</b>

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
<b>BF</b>	<b>90.00</b>	<b>234.00</b>	<b>1372.39</b>	<b>3267.44</b>
18) PARAS-MLA-060 Trust 120 (31 <sup>st</sup> March 2022: 120) SRs of ₹1,000/- each	-	-	1.20	1.20
19) PARAS-JSL-061 Trust 44715 (31 <sup>st</sup> March 2022: 44715) SRs of ₹1,000/- each	-	-	447.15	447.15
20) PARAS-DIL-062 Trust 0 (31 <sup>st</sup> March 2022: 92) SRs of ₹1,00,000/- each	-	42.00	-	50.00
21) PARAS-AWL-065 Trust 480 (31 <sup>st</sup> March 2022: 480) SRs of ₹1,00,000/- each	-	480.00	480.00	-
22) PARAS-VBI-067 Trust 4050 (31 <sup>st</sup> March 2022: 4050) SRs of ₹1,000/- each	40.50	40.50	-	-
23) PARAS-MAIPL-071 Trust 3599 (31 <sup>st</sup> March 2022: 5534) SRs of ₹1,000/- each	-	-	35.99	55.34
24) PARAS-VHPL-072 Trust 443 (31 <sup>st</sup> March 2022: 443) SRs of ₹1,00,000/- each	-	-	443.00	443.00
25) PARAS-SIPPL-073 Trust 99 (31 <sup>st</sup> March 2022: 99) SRs of ₹1,00,000/- each	99.00	99.00	-	-
26) PARAS-ST-074 Trust 0 (31 <sup>st</sup> March 2022: 4725) SRs of ₹1,000/- each	-	47.25	-	-
27) PARAS-VEAL-075 Trust 8325 (31 <sup>st</sup> March 2022: 8325) SRs of ₹1,000/- each	83.25	83.25	-	-
28) PARAS-SBPL-076 Trust 8655 (31 <sup>st</sup> March 2022: 8655) SRs of ₹1,000/- each	-	86.55	86.55	-
29) PARAS-SSDF-080 Trust 465 (31 <sup>st</sup> March 2022: 465) SRs of ₹1,000/- each	-	-	4.65	4.65
30) PARAS-SRPL-081 Trust 3735 (31 <sup>st</sup> March 2022: 4830) SRs of ₹1,000/- each	-	-	37.35	48.30
31) PARAS-DTPL-082 Trust 31500 (31 <sup>st</sup> March 2022: 31500) SRs of ₹1,000/- each	315.00	315.00	-	-
32) PARAS-MRC-084 Trust 712 (31 <sup>st</sup> March 2022: 712) SRs of ₹1,000/- each	-	-	7.12	7.12
33) PARAS-SPKHL-085 Trust 30120 (31 <sup>st</sup> March 2022: 30120) SRs of ₹1,000/- each	-	201.20	301.20	100.00
34) PARAS-VAP-086 Trust 3525 (31 <sup>st</sup> March 2022: 3525) SRs of ₹1,000/- each	-	35.25	35.25	-
35) PARAS-VLT-089 Trust 17265 (31 <sup>st</sup> March 2022: 17265) SRs of ₹1,000/- each	-	172.65	172.65	-
36) PARAS-RC-090 Trust 1735 (31 <sup>st</sup> March 2022: 1965) SRs of ₹1,000/- each	-	-	17.35	19.65
<b>CF</b>	<b>627.75</b>	<b>1836.65</b>	<b>3441.85</b>	<b>4443.85</b>



## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
<b>BF</b>	<b>627.75</b>	<b>1836.65</b>	<b>3441.85</b>	<b>4443.85</b>
37) PARAS-CRD-092 Trust 3750 (31 <sup>st</sup> March 2022: 3750) SRs of ₹1,000/- each	-	-	37.50	37.50
38) PARAS-GS-093 Trust 3450 (31 <sup>st</sup> March 2022: 3450) SRs of ₹1,000/- each	-	-	34.50	34.50
39) PARAS-SPMPL-094 Trust 2550 (31 <sup>st</sup> March 2022: 2550) SRs of ₹1,000/- each	-	-	25.50	25.50
40) PARAS-NPPL-095 Trust 5190 (31 <sup>st</sup> March 2022: 8010) SRs of ₹1,000/- each	1.90	30.10	50.00	50.00
41) PARAS-DFPPL-096 Trust 13500 (31 <sup>st</sup> March 2022: 13500) SRs of ₹1,000/- each	135.00	135.00	-	-
42) PARAS-VCMPL-097 Trust 5475 (31 <sup>st</sup> March 2022 :5475) SRs of ₹1,000/- each	-	-	54.75	54.75
43) PARAS-VPPL-099 Trust 12002 (31 <sup>st</sup> March 2022 :12002) SRs of ₹1,000/- each	120.02	120.02	-	-
44) PARAS-GTKVB-100 Trust 2416 (31 <sup>st</sup> March 2022: 2430) SRs of ₹10,000/- each	94.50	194.50	147.10	48.50
45) PARAS-RTKVB-101 Trust 1725 (31 <sup>st</sup> March 2022: 1725) SRs of ₹1,000/- each	-	-	17.25	17.25
46) PARAS-NTKVB-103 Trust 25173 (31 <sup>st</sup> March 2022: 36303) SRs of ₹1,000/- each	51.73	163.03	200.00	200.00
47) PARAS-SNV-104 Trust 3675 (31 <sup>st</sup> March 2022: 3675) SRs of ₹1,000/- each	36.75	36.75	-	-
48) PARAS-SVRTC-105 Trust 3675 (31 <sup>st</sup> March 2022: 3675) SRs of ₹1,000/- each	36.75	36.75	-	-
49) PARAS-HCT-106 Trust 195 (31 <sup>st</sup> March 2022: 195) SRs of ₹10,000/- each	-	-	19.50	19.50
50) PARAS-SVCM-107 Trust 1725 (31 <sup>st</sup> March 2022: 1725) SRs of ₹1,000/- each	-	-	17.25	17.25
51) PARAS-VNCT-108 Trust 342 (31 <sup>st</sup> March 2022: 342) SRs of ₹10,000/- each	34.20	34.20	-	-
52) PARAS-SLNGM-109 Trust 2985 (31 <sup>st</sup> March 2022: 2985) SRs of ₹1,000/- each	-	-	29.85	29.85
53) PARAS-SAA-110 Trust 3405 (31 <sup>st</sup> March 2022: 3405) SRs of ₹1,000/- each	34.05	34.05	-	-
54) PARAS-MGP-111 Trust 0 (31 <sup>st</sup> March 2022: 30) SRs of ₹1,00,000/- each	-	-	-	30.00
55) PARAS-CEF-112 Trust 10 (31 <sup>st</sup> March 2022: 10) SRs of ₹1,00,000/- each	-	-	10.00	10.00
<b>CF</b>	<b>1172.65</b>	<b>2621.05</b>	<b>4085.05</b>	<b>5018.45</b>

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
<b>CF</b>	<b>1172.65</b>	<b>2621.05</b>	<b>4085.05</b>	<b>5018.45</b>
56) PARAS-SKE-113 Trust 5625 (31 <sup>st</sup> March 2022: 5625) SRs of ₹1,000/- each	56.25	56.25	-	-
57) PARAS-SEKVB-114 Trust 27 (31 <sup>st</sup> March 2022: 27) SRs of ₹1,00,000/- each	27.00	27.00	-	-
58) PARAS-MKS-115 Trust 135 (31 <sup>st</sup> March 2022: 135) SRs of ₹10,000/- each	13.50	13.50	-	-
59) PARAS-SSKVB-116 Trust 45 (31 <sup>st</sup> March 2022: 45) SRs of ₹1,00,000/- each	45.00	45.00	-	-
60) PARAS-KMMT-117 Trust 30 (31 <sup>st</sup> March 2022: 30) SRs of ₹1,00,000/- each	30.00	30.00	-	-
61) PARAS-FAPL-118 Trust 5250 (31 <sup>st</sup> March 2022: 5250) SRs of ₹1,00,000/- each	-	-	5250.00	5250.00
62) PARAS-SBISEWCT-119 Trust 221 (31 <sup>st</sup> March 2022: 1326) SRs of ₹10,000/- each	22.10	132.60	-	-
63) PARAS-ACL1-120 Trust 0 (31 <sup>st</sup> March 2022: 38620) SRs of ₹10,000/- each	-	3862.00	-	-
64) PARAS-ACL2-121 Trust 0 (31 <sup>st</sup> March 2022: 395980)SRs of ₹10,000/- each	-	39598.00	-	-
65) PARAS-126 Trust 193800 (31 <sup>st</sup> March 2022: Nil) SRs of ₹1,000/- each	-	-	1938.00	-
66) PARAS-126 Jr Trust 390750 (31 <sup>st</sup> March 2022: Nil) SRs of ₹1,000/- each	-	-	3907.50	-
67) PARAS-131 Trust 105 (31 <sup>st</sup> March 2022: Nil) SRs of ₹1,00,000/- each	-	-	105.00	-
68) PARAS-132 Trust 104767 (31 <sup>st</sup> March 2022: Nil) SRs of ₹1,000/- each	747.67	-	300.00	-
69) PARAS-133 Trust 29701 (31 <sup>st</sup> March 2022: Nil) SRs of ₹1,000/- each	200.00	-	97.01	-
70) PARAS-134 Trust 134000 (31 <sup>st</sup> March 2022: Nil) SRs of ₹1,000/- each	1340.00	-	-	-
71) PARAS-135 Trust 82910 (31 <sup>st</sup> March 2022: Nil) SRs of ₹1,000/- each	529.10	-	300.00	-
<b>Total</b>	<b>4183.27</b>	<b>46385.40</b>	<b>15982.56</b>	<b>10268.45</b>
Less: Provision on SRs due to down grade in rating	89.90	230.44	237.51	425.89
<b>Total investments in SRs net of provisions</b>	<b>4093.37</b>	<b>46154.96</b>	<b>15745.05</b>	<b>9842.56</b>

- Of the total SRs of ₹19,838.42 lakhs outstanding as on 31.03.2023 (₹55,997.53 lakhs as on 31.03.2022), SRs of ₹6,240.09 lakhs are pledged to secure the overdraft facility availed from Union Bank of India. (₹6,750.29 lakhs as on 31.03.2022)
- SRs of ₹11,453.59 lakhs are pledged as security for NCDs issued (₹43,460.00 lakhs as on 31.03.2022)

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### 12. Loan and Advances

(₹ in Lakhs)

Particulars	Non-Current Portion		Current Portion		Total	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
<b>(A) Financial Assets (Secured considered good)</b>						
Loan Assets (A)	-	-	-	-	-	-
<b>(B) Security Deposits</b>						
Unsecured considered good	0.97	0.97	-	10.00	0.97	10.97
(B)	<b>0.97</b>	<b>0.97</b>	<b>-</b>	<b>10.00</b>	<b>0.97</b>	<b>10.97</b>
<b>(C) Other Loans and Advances</b>						
Prepaid Expenses	-	-	13.77	6.75	13.77	6.75
(C)	<b>-</b>	<b>-</b>	<b>13.77</b>	<b>6.75</b>	<b>13.77</b>	<b>6.75</b>
<b>Total (A+B+C)</b>	<b>0.97</b>	<b>0.97</b>	<b>13.77</b>	<b>16.75</b>	<b>14.74</b>	<b>17.72</b>

### 13. Other Assets

(₹ in Lakhs)

Particulars	Non-Current Portion		Current Portion	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
<b>A. Unsecured and considered good Expenses recoverable from trusts managed by the Company</b>				
Unsecured, considered good	5.09	5.03	-	-
(A)	<b>5.09</b>	<b>5.03</b>	<b>-</b>	<b>-</b>
<b>B. Other items</b>				
Income Tax Refund Receivable	-	-	290.61	-
GST Input Tax Receivable	-	-	-	0.36
(B)	<b>-</b>	<b>-</b>	<b>290.61</b>	<b>0.36</b>
<b>Total (A +B)</b>	<b>5.09</b>	<b>5.03</b>	<b>290.61</b>	<b>0.36</b>

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### 14. Other Investments

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Investment in properties	1740.11	1740.11

### 15. Trade Receivables (Unsecured, considered Good)

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Recoverable from Trusts managed by the company	1899.45	1348.88
Others	0.30	-
<b>Total</b>	<b>1899.75</b>	<b>1348.88</b>

### Trade Receivables ageing schedule as on 31.03.2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(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	-	-	-	-	-	-

### Trade Receivables ageing schedule as on 31.03.2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	351.49	182.37	314.10	216.51	284.40	1348.87
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered doubtful	-	-	-	-	-	-

### 16. Cash and Bank Balances

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Cash and cash equivalents</b>		
<b>Balances with Banks</b>		
In current accounts	4000.52	4.26
In fixed deposits *	314.82	300.70
Cash on hand	0.27	0.81
<b>Total</b>	<b>4315.61</b>	<b>305.77</b>

\*Note: Includes deposit of ₹21.52 Lakhs (PY ₹20.52 lakhs) received and deposited in Bank as per Court direction in PARAS-SBIKG-033 Trust.

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### 17. Revenue from operations

(₹ in Lakhs)

Particulars	Current year 2022-23	Previous year 2021-22
Interest earned	105.14	35.02
Gain on Redemption of Security Receipts	16020.35	
Less: Transferred to investors (Refer Note 17A)	<u>15361.83</u>	
	658.52	1155.07
Incentives received	54.09	19.42
Income from reversal of NPA accounts	87.24	126.81
Advisory & consultancy /up-front fee	28.00	55.00
<b>(A)</b>	<b>932.99</b>	<b>1391.32</b>
<b>Other Financial Services</b>		
Management Fee	2606.19	1902.35
<b>(B)</b>	<b>2606.19</b>	<b>1902.35</b>
<b>Total (A+B)</b>	<b>3539.18</b>	<b>3293.67</b>

**Note 17 A:** 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 as per the terms of offer of NCDs.

### 18. Other Income

(₹ in Lakhs)

Particulars	Current year 2022-23	Previous year 2021-22
Interest on FDs with Banks	22.56	14.52
Gain on redemption of Mutual Funds	19.23	-
Other income	10.93	3.37
<b>Total</b>	<b>52.72</b>	<b>17.89</b>

### 19. Employee benefits expenses

(₹ in Lakhs)

Particulars	Current year 2022-23	Previous year 2021-22
Salaries and wages	227.82	212.57
Remuneration to Directors	24.00	23.03
Contribution to gratuity and leave encashment fund	17.61	30.15
Staff Welfare	5.75	5.49
<b>Total</b>	<b>275.18</b>	<b>271.24</b>

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### 20. Finance costs

(₹ in Lakhs)

Particulars	Current year 2022-23	Previous year 2021-22
Interest expense on: Overdraft	106.29	146.78
Inter Corporate Loans	37.40	-
NCDs	429.45	0.71
Bank charges	25.91	29.05
Upfront coupon fee-NCDs	35.00	-
<b>Total</b>	<b>634.05</b>	<b>176.54</b>

### 21. Other Expenses

(₹ in Lakhs)

Particulars	Current year 2022-23	Previous year 2021-22
Customer service expenditure	1.75	1.99
Electricity, water, house keeping	9.32	7.52
Rates and taxes	14.05	3.22
Repairs and maintenance - Others	11.49	11.37
Vehicle maintenance	3.41	2.72
Office premises maintenance	10.73	10.73
Staff recruitment expenses	0.04	0.02
Insurance	1.81	1.55
Travelling and conveyance	1.74	1.52
Communication costs	3.28	3.18
Legal and professional charges	130.00	108.80
Directors' sitting fees	46.65	46.65
Printing and stationery	4.05	3.66
Security expenses	3.27	3.38
Contributions under CSR Scheme (Refer Note 25. I)	27.09	17.82
Reversal of unrealized management fee and expenses	51.86	57.28
Provision on SRs	327.41	311.09
Security Receipts written off	1099.24	113.36
Payment to Auditors		
Audit fee	5.45	5.45
Tax Audit Fee	0.25	0.25
GST Audit and Certification fee	1.88	1.11
Miscellaneous expenses	13.88	8.73
<b>Total</b>	<b>1768.65</b>	<b>721.40</b>

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

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. Brickwork Ratings India Pvt. Ltd., has been rating Security Receipts of Trusts till June, 2022. Subsequently we have engaged M/s. India Ratings and Research Pvt. Ltd and M/s. Infomerics Valuation and Rating Pvt Ltd 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 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).

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.

- h) 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.
- i) There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237 of the Companies Act, 2013.
- j) Proceeds from debt instruments issued during the year have been utilized for the purpose for which they are obtained.

k) Accounting Ratios:

Ratio type	Numerator	Denominator	Figures at the end of the current year 31.03.2023	Figures at the end of the previous year 31.03.2022	% variance	Reasons for variance above 25%
Current Ratio (in times)	Total current assets	Total Current liabilities	1.86	3.30	-44%	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	0.21	3.31	-94%	Decrease is due to repayment of longterm debt in the form of NCDs.
Debt Service Coverage Ratio (in times)	Earnings before interest, tax, depreciation & non cash expenditure, income	Debt service = Interest and lease payments + Principal repayments	0.07	15.54	-99.55%	Decrease is due to increase in payment of NCD interest.
Return on Equity Ratio (in %)	Net profit after taxes	Average total equity	4.72	12.05	-61%	Decrease is due to decrease in net profit because of provisioning and SRs write off.
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	2.21	2.78	-21%	-
Trade payables turnover ratio (in times)	Net credit purchase	Average Trade Payables	Nil	Nil	Nil	Nil
Net capital turnover ratio (in times)	Total Income	Average working capital (i.e. Total current assets less Total current liabilities)	0.35	0.41	-15%	-
Net profit ratio (in %)	Net profit after taxes	Total Income	18.11	47.77	-62%	Decrease is due to increase in finance cost, write off of SRs and provision on SRs
Return on Capital employed (in %)	Earnings before interest and tax	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	9.15	4.06	125%	Increase is due to repayment of NCDs
Return on investment (in %) (In equity & Mutual Funds)	Income generated from invested funds & change value of SRs on making provision.	Average Invested funds	8.61	8.65	-0.46%	-



## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### I) Corporate Social Responsibility:

(₹ in Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
a) Amount required to be spent by the Company during the year	27.08	17.82
b) Amount of expenditure incurred	27.08	17.82
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

26. Employee benefits as per AS -15: As per actuarial valuation as on 31.03.2023 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 31.03.2023

(₹ in Lakhs)

Particulars	As on 31.03.2023		As on 31.03.2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of obligations as at the beginning of year	47.42	19.38	27.13	28.35
Interest cost	3.09	0.72	1.67	1.65
Current service cost	6.40	2.70	28.88	14.41
Benefits paid	(5.15)	(10.41)	(3.83)	(17.53)
Actuarial (gain)/loss on obligations	2.47	5.88	(6.43)	(7.50)
Present value of obligation as at end of year	54.23	18.27	47.42	19.38

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### ii. Changes in the fair value of plan assets as on 31.03.2023

(₹ in Lakhs)

Particulars	As on 31.03.2023		As on 31.03.2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Fair value of assets as at the beginning of year	25.52	22.59	22.73	24.71
Acquisition adjustments	-	(0.15)	-	-
Expected return on plan assets	1.73	1.54	1.46	1.59
Contributions made during the year	9.85	13.79	4.89	14.60
Benefits paid	(5.15)	(10.41)	(3.83)	(17.53)
Actuarial (gain)/loss on plan assets	0.53	(0.16)	0.27	(0.78)
Fair value of plan assets at end of year	32.48	27.20	25.52	22.59

### iii. Fair value of plan assets

(₹ in Lakhs)

Particulars	As on 31.03.2023		As on 31.03.2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Fair value of plan assets as at the beginning of year	25.52	22.59	22.73	24.71
Acquisition adjustments	-	(0.15)	-	-
Actual return on plan assets	2.26	1.38	1.73	0.81
Contributions	9.85	13.79	4.89	14.60
Benefits paid	(5.15)	(10.41)	(3.83)	(17.53)
Fair value of plan assets at the end of year	32.48	27.20	25.52	22.59
Funded status	(21.75)	8.93	(21.90)	3.21

### iv. Actuarial Gain/Loss recognized as on 31.03.2023

(₹ in Lakhs)

Particulars	As on 31.03.2023		As on 31.03.2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Actuarial (gain)/loss on obligations	(2.47)	(5.87)	6.43	7.50
Actuarial (gain)/loss for the year – plan assets	0.53	(0.16)	0.27	(0.78)
Actuarial (gain)/loss on obligations	(1.94)	(6.03)	6.70	6.72
Actuarial (gain)/loss recognized in the year	(1.94)	(6.03)	6.70	6.72

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### v. The amounts to be recognized in the balance sheet and statement of profit and loss (₹ in Lakhs)

Particulars	As on 31.03.2023		As on 31.03.2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of obligations as at the end of year	54.24	18.27	47.42	19.38
Fair value of plan assets as at the end of the year	32.49	27.20	25.52	22.59
Funded status	(21.75)	8.93	(21.90)	3.21
Net asset/(liability) recognized in balance sheet	(21.75)	8.93	(21.90)	3.21

### vi. Expenses recognized in statement of Profit and Loss (₹ in Lakhs)

Particulars	As on 31.03.2023		As on 31.03.2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current service cost	6.40	2.70	28.88	14.41
Interest cost	3.09	0.72	1.67	1.65
Expected return on plan assets	(1.73)	(1.54)	(1.46)	(1.59)
Net actuarial (gain)/loss recognized in the year	1.94	6.03	(6.70)	(6.72)
Expenses recognized in statement of Profit and Loss	9.70	7.91	22.39	7.75

### vii. Actuarial Value Assumptions (₹ in Lakhs)

Particulars	Gratuity		Leave Encashment	
	As on 31.03.2023	As on 31.03.2022	As on 31.03.2023	As on 31.03.2022
Discount Rate	7.20%	6.80%	7.20%	6.80%
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 31<sup>st</sup> March, 2023

### 28. Related Party disclosures

Name of the Party	Nature of Relationship
Sri. M. Siva Rama Vara Prasad	Promoter Non-Executive Director
Sri. Vinayak Krishna Sardeshpande *	Punjab National Bank Nominee Director
Sri.M. Gopalakrishnaiah*	Whole-time Director
Sri. Ch.Rama Prasad*	Managing Director and Chief Executive Officer (KMP)
Sri. V.S.Ranga Rao	Chief Financial Officer (KMP)
Smt. V.Vani	Company Secretary (KMP)
M/s. Mezzequity Software Services Ltd	Entity controlled by director
M/s. Bitchemy Technologies Pvt Ltd	Entity controlled by director

\*Sri Vinayak Krishna Sardeshpande resigned from the company wef 29.04.2022, consequent to Punjab National Bank ceasing to be a sponsor of the company.

\*Sri M Gopalakrishnaiah resigned from the company wef 11.04.2023.

\*Sri Ch. Rama Prasad was appointed as Managing Director and Chief Executive Officer wef 11.04.2023.

### Transactions with Related parties

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

(₹ in Lakhs)

Particulars	2022-23	2021-22
Whole time Director	24.00	23.03
Chief Executive Officer	45.01	49.50
Chief Financial Officer	28.19	20.80
Company Secretary	23.84	18.29
<b>Total:</b>	<b>121.04</b>	<b>111.62</b>

#### (ii) Sitting fees to Non-Executive Directors:

(₹ in Lakhs)

Particulars	2022-23	2021-22
Sri. M. Siva Rama Vara Prasad	8.90	7.60
Sri. Richard B Saldanha	6.30	6.80
Sri. Koteswara Rao S S R	9.50	9.40
Dr. Pamidi Kotaiah	9.50	9.40
Sri. Vepa Kamesam	5.30	5.80
Ms. K. Sujatha Rao	3.30	3.80
<b>Total:</b>	<b>42.80</b>	<b>42.80</b>

**iii) Transactions with related parties:**

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

Nature of the transaction: Housekeeping and security services

(₹ in Lakhs)

Particulars	2022-23	2021-22
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	2022-23	2021-22
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	2022-23	2021-22
Profit after tax	65,041,861	158,185,922
Weighted average number of shares	10,000,000	10,000,000
Basic EPS (Face value ₹ 100/- per share)	6.50	15.82
Diluted EPS (Face value ₹ 100/- per share)	6.50	15.82

**30. Taxes on Income (AS – 22)**

(₹ in lakhs)

Items of Deferred Tax	2022-23	2021-22
<b>Deferred Tax Liability</b>		
Timing difference in respect of book depreciation and tax depreciation	61.20	49.12
<b>Deferred Tax Asset</b>		
Items related to 43B of I.T Act, expense provisions	93.67	173.99
Net Deferred Tax Liability/(Asset) at current rate of tax	(32.47)	(124.87)

**30A:** The company has opted for the new tax rate @25.168% as permitted under section 115BAA of the Income Tax Act.

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

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
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 31<sup>st</sup> March, 2023

### 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 on31.03.2023	As on31.03.2022
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
IFCI Limited	IFCI Tower61 Nehru Place, NewDelhi-110 019	512.86	512.86
Indian Bank	PB No.1384, 66, RajajiSalai, Chennai-600001	3768.30	3768.30
Indian Overseas Bank	Central Office, PB.No.3765, 763, Anna Salai, Chennai-600 002	2067.00	2067.00

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

(₹ in lakhs)

Seller wise acquisition details			
Sellers	Address	As on 31.03.2023	As on 31.03.2022
IREDA Limited	3 <sup>rd</sup> 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	415.00	415.00
The Lakshmi Vilas Bank Limited (now DBS Bank)	Administrative Office, Salem Main Road, Karur-639 006	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	25857.93
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	35000.00	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	20996.00	-
ARCION Revitalization Private Limited	G1/19, Grand Hyatt Plaza, Vakola, Santacruz East, Mumbai - 400 055	30050.00	-
Phoenix ARC Private Limited	5 <sup>th</sup> floor, Dani Corporate Park, 158, CST Road, Kalina, Santacruz East, Mumbai - 400 098	16000.00	-
Pahal Financial Services Pvt Ltd	7 <sup>th</sup> floor, Binciri B Square - 2, Opp. Hathising ni vadi, Ambli Iscon Road, Ahmedabad - 380 054	2600.00	-
Omkara Assets Reconstruction Private Limited	No.9, MP Nagar First Street, Kongu Nagar Extension, Tirupur - 641 607	1340.00	-
	<b>Total</b>	<b>250199.14</b>	<b>177972.14</b>

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

### b) Dispersion of various financial assets industry-wise:

(₹ in Lakhs)

Industry	No. of borrower/s		Acquisition Price		% Of Total	
	As on 31.03.2023	As on 31.03.2022	As on 31.03.2023	As on 31.03.2022	As on 31.03.2023	As on 31.03.2022
Automobiles	3	3	1393.52	1393.52	0.56	0.78
Agriculture - Allied Activities	3	3	555.00	555.00	0.22	0.31
Bio-Chemical & Pesticides	7	7	4798.47	4798.47	1.92	2.70
Cement	2	2	44702.30	43461.30	17.87	24.42
Coir	1	1	729.76	729.76	0.29	0.41
Cold Storage	1	1	380.00	380.00	0.15	0.21
Educational Institution	4	4	3169.98	3169.98	1.27	1.78
Food Products	8	8	4986.63	4986.63	1.99	2.80
House Hold Appliances	2	2	1000.00	1000.00	0.40	0.56
Hospital	2	2	4671.00	4671.00	1.87	2.62
Hotel	1	1	2025.00	2025.00	0.81	1.14
Iron and Steel, Other Metals	12	12	14254.95	14254.95	5.70	8.01
Information Technology	4	4	346.13	346.13	0.14	0.19
Industrial Gases	3	3	1325.00	1325.00	0.53	0.75
Infrastructure	11	9	86723.10	39333.10	34.66	22.10
Logistics	1	1	600.00	600.00	0.24	0.34
Metals and Mining	3	3	439.28	439.28	0.18	0.25
Media	2	2	1928.00	1928.00	0.77	1.08
NBFC	11	11	921.92	921.92	0.37	0.52
Pharma	5	5	541.65	541.65	0.22	0.30
Plastics	2	2	792.04	792.04	0.32	0.45
Power	4	4	9786.07	9786.07	3.91	5.50
Paper	3	3	3339.61	3339.61	1.33	1.88
Poultry	3	3	384.00	384.00	0.15	0.22
Retail	1714974	-	23596.00	-	9.43	-
Textiles	14	14	7317.52	7317.52	2.92	4.11
Trading	48	48	15001.01	15001.01	6.00	8.43
Wood	1	1	2050.00	2050.00	0.82	1.15
Oil Refineries, Vegetable Oil	3	3	1350.00	1350.00	0.54	0.76
Others	34	34	11091.20	11091.20	4.43	6.23
<b>Total</b>	<b>1715172</b>	<b>196</b>	<b>250199.14</b>	<b>177972.14</b>	<b>100.00</b>	<b>100.00</b>



## Notes to financial statements for the year ended 31<sup>st</sup> March, 2023

(₹ in lakhs)

	Particulars	As on 31.03.2023	As on 31.03.2022
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	72227.00	44344.00
f	Value of financial assets fully realized during the financial year	52059.50	1373.00
g	Value of financial assets outstanding for realization as at the end of the financial year	122443.72	126955.32
h	i. Value of Security Receipts redeemed partially during the financial year	12498.60	2269.50
	ii. Value of Security Receipts redeemed fully during the financial year	52059.50	1373.00
i	Value of Security Receipts pending for redemption as at the end of the financial year	122443.72	126955.32
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)	12180.50	1945.20
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 31.03.2023

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

\*As on 31.03.2022

SI No	Trust Name	Face Value in Rupees	NAV in Rupees
1	PARAS-ATL-047 Trust	1000	750
2	PARAS-SPML-038 Trust	10000	7500
3	PARAS-MACL-039 Trust	1000	750
4	PARAS-RTP-032 Trust	1000	750
5	PARAS-SBIKG-033 Trust	10000	7500
6	PARAS-MSL-046 Trust	100000	75000

\*Note: The above Trust accounts were written off as on 31.03.2023 since the resolution period of 8 years has been completed. 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

**Ch. Rama Prasad**  
Managing Director & CEO  
DIN: 07030015

**V.Vani**  
Company Secretary

Place: Hyderabad  
Date: 26.06.2023

A view of the 1.8 MTPA cement plant of Andhra Cements Limited, at Dachepally, Palnadu District, Andhra Pradesh acquired from a consortium of lenders and resolved in NCLT in a record time of 13 months





**PARAS**

**Pridhvi Asset Reconstruction  
And Securitisation Company Limited**

Registered & Corporate Office

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

Tel: 040-41413333, Email: [co@paras.org.in](mailto:co@paras.org.in)

Web: [www.paras.org.in](http://www.paras.org.in)