

**C.N.JAYACHANDRAN & CO,
CHARTERED ACCOUNTANTS**

**PARTNERS : C.N.Jayachandran B.Com., F.C.A.,
R.Maheshwari B.Com., F.C.A.,**



**Room No.2, Third Floor,
Catholic Centre,
64/108, Armenian Street
Chennai - 600 001
Phone : 044-25387204**

INDEPENDENT AUDITORS' REPORT

To:

The Members of

M/s. RORS FINANCE PRIVATE LIMITED

Report on the audit of the Standalone financial statements

Opinion

We have audited the accompanying financial statements of M/s. RORS FINANCE PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2023, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit and cash flows for the year ended on that date.

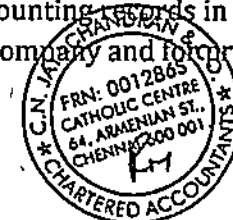
Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

The Company's board of directors are 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and





detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

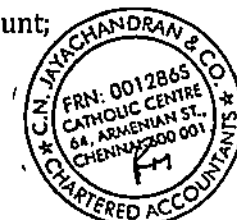
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

Report on other legal and regulatory requirements

1.As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2.As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;



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- (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 March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) Since the company's turnover as per last audited financial statements is less than Rs.50 Crores but its borrowings from banks and financial institutions at any time during the year is more than Rs.25 Crores, the Company is not exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such control.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- a. The Company does not have any pending litigations which would impact its financial position;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There has been no amount which required to be transferred, to the Investor Education and Protection Fund by the Company.
- d. (i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and



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- (iii) Nothing has come to the notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- e. No dividend has been declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.
- f. As per the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company w.e.f. April 1, 2023, reporting under this clause is not applicable.

For CN JAYACHANDRAN & Co.,
Chartered Accountants
FRN: 001286S



R. Maheshwari

(CA MAHESWARI R)
Partner

M.No:210225

UDIN: 23210225BGUQBU9275

Place: Srinivasapur
Date: 05.06.2023



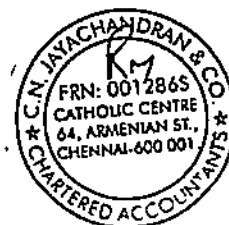
Annexure "A" to the Independent Auditor's Report

Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of M/s. RORS FINANCE PRIVATE LIMITED of even date.

1. In respect of the Company's fixed assets:
 - (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(ii) The Company has maintained proper records showing full particulars of Intangible Assets.
 - (b) The company has verified all the Property, Plant & Equipment at reasonable intervals. According to the information and explanations obtained no material discrepancies have been found.
 - (c) The Company has not revalued any of its Property, Plant, Equipment and Intangible Assets.
 - (d) According to the information and explanation obtained, the title deed of immovable properties are held in the name of the company.
 - (e) According to the information and explanation there are no proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988 as amended in 2016) and rules made thereunder, as the company does not hold any Benami property.
2. (a) The Company is in the business of providing loans and advances and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.

(b) The company has not been sanctioned with working capital term loans in excess of five Crores rupees with the banks and financial institution at any point of time during the financial year.
3. (a) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii) (a) of the Order is not applicable.



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- (b) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company's interest.
- (c) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 20.9(a) of According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
- (d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
- (e) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable to it.
- (f) Based on our audit procedures, according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
4. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.



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5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits whether directives issued by RBI and section 73 to 76 or any other relevant provisions of Companies Act and accordingly paragraph 3 (v) of the order is not applicable.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7. In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax, goods and service tax, duty of customs, duty of excise and value added tax which has been deposited on account of any dispute except the following:

| Name of the statute | Nature of dues | Amount | Period to which amount relates | Forum where dispute is pending |
|----------------------|-------------------|--------------|--------------------------------|--------------------------------|
| Income Tax Act, 1961 | Income Tax Demand | Rs.6535068/- | A.Y.2017-18 | CIT (Appeals) |

8. Based on the information and explanation obtained there are no such undisclosed income pertaining to the previous year shown as income in the current year as per the Income Tax Act 1961 (43 of 1961).
9. According to the information and explanations given to us and on the basis of our audit procedures:
- (a) The company has not made any defaults in repayment of outstanding dues to any financial institutions or banks or any government or any debenture holders during the year.



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- (b) We report that the company is not declared as wilful defaulter by any bank or financial institution or any other lender.
- (c) The term loans obtained were applied for the purpose for which it was obtained.
- (d) The funds raised for short term basis were not used for long term basis.
- (e) The company has not taken any amount from any entity or person on account of or to meet obligation of its subsidiary, associate or joint ventures.
- (f) The company has not raised loans during the year on pledge of securities held in subsidiaries, associate or joint venture companies.
10. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). However, the utilization of the funds was for the purpose obtained. Accordingly, paragraph 3 (ix) of the order is not applicable.
- (b) The company has not made any private placement or preferential allotment of shares or convertible debentures.
11. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) We the auditors of the company have not reported under section 143(12) of the Companies Act, 2013 and therefore have not filed ADT-4.
- (c) There are no such whistle blower complaints received by the company during the year.
12. (a) The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13. As per the information and explanation obtained by us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
14. To the best of our knowledge and information obtained,
- a) The company has an internal audit system commensurate with the size and nature of its business;



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- b) The Internal Audit is not applicable under section 138 of the Companies Act, 2013 for the period under audit.
15. As per the information and explanation obtained there are no such non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and hence provisions of section 192 of the Act, 2013 are not applicable to the Company.
16. With respect to the information and explanation obtained by us,
- a) The company is registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- b) The company has conducted Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- c) The company being a micro finance institution, therefore is exempted from registering with CIC and it fulfils such criteria as mentioned;
17. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
18. According to the information and explanations given to us, there have been no resignation of Statutory Auditors of the Company.
19. Based on the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, we form 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.
20. As per the information and explanation obtained by us
- (a) Based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act;



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- (b) There is no amount which is remaining unspent under sub section 5 of section 135 of the Act pursuant to any ongoing CSR project;
21. With respect to the information and explanation obtained by us, the company is not subject to consolidated financial statement.

For CN JAYACHANDRAN & Co.,
Chartered Accountants
FRN: 001286S



Maheshwari

(CA MAHESWARI R)

Partner

M.No: 210225

UDIN: 23210225BGUQBU9275

Place: Srinivasapur
Date: 05.06.2023



Annexure "B" to the Independent Auditor's Report

Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of M/s. RORS FINANCE PRIVATE LIMITED of even date

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 RORS FINANCE PRIVATE LIMITED ("the Company") as at March 31, 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. 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, the safeguarding of its assets, the prevention and detection of frauds or error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the 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 the Institute of Chartered Accountants of India 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 were established and maintained and if such controls operated effectively in all material respects.

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



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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 control system over financial reporting.

Meaning of internal financial controls over financial reporting

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

Inherent Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 CN JAYACHANDRAN & Co.,
Chartered Accountants
FRN: 001286S



R. Maheshwari
(CA MAHESWARI R)
Partner

Place: Srinivasapur
Date: 05.06.2023

M.No: 210225
UDIN: 23210225BGUQBU9275

RORS FINANCE PRIVATE LIMITED

CIN: U17124KA1987PTC008797

No. 65, Ramakrishna Extension, Srinivasapura, Kolar Dist., Karnataka.

BALANCE SHEET AS AT MARCH 31, 2023

(Amounts in ₹'000)

| Particulars | Note | Figures as at the end current reporting period | | Figures as at the end Previous reporting period | |
|--|------|--|-----------------|---|-----------------|
| I. EQUITY AND LIABILITIES | | | | | |
| (1) Shareholder's Funds | | | | | |
| (a) Share Capital | 3 | 46,604 | | 46,604 | |
| (b) Reserves and Surplus | 4 | 66,268 | | 58,058 | |
| | | | 1,12,872 | | 1,04,662 |
| (2) Share Application Money Pending Allotment | | | | | |
| (3) Non-Current Liabilities | | | | | |
| (a) Long-Term Borrowings | 5 | 1,55,503 | | 1,92,783 | |
| (b) Long Term Provisions | 6 | 3,287 | 1,38,790 | 3,252 | 1,96,035 |
| (4) Current Liabilities | | | | | |
| (a) Other Current Liabilities | 7 | 1,68,094 | | 1,92,180 | |
| (b) Short-term Provisions | 8 | 3,058 | 1,71,152 | 3,379 | 1,95,559 |
| TOTAL | | | 4,22,814 | | 4,96,256 |
| II. ASSETS | | | | | |
| (1) Non-current assets | | | | | |
| (a) Property, Plant, Equipments and Intangible Asset | | | | | |
| (i) Property, Plant & Equipments | 9A. | 3,204 | | 3,834 | |
| (ii) Intangible Assets | 9B. | 308 | | 508 | |
| (b) Deferred Tax Assets (Net) | 22 | 2,464 | | 2,439 | |
| (c) Long-Term Loans and Advances | 10 | 2,666 | | 2,656 | |
| (d) Other Non-Current Assets | 11 | 44,677 | 53,319 | 36,508 | 45,945 |
| (2) Current Assets | | | | | |
| (a) Trade Receivables under Financing activity | 12 | 3,03,480 | | 3,68,361 | |
| (b) Cash and cash equivalents | 13 | 488 | | 23,459 | |
| (c) Other Current Assets | 14 | 65,528 | 3,69,495 | 58,491 | 4,50,311 |
| TOTAL | | | 4,22,814 | | 4,96,256 |

Significant Accounting policies and Notes to the Accounts - 1 to 24

As per our report of even date attached

For M/s. CN Jayachandran & Co

Chartered Accountants

FRN:001286S

For and on behalf of the Board of Directors

R. Maheswari
(CA Maheswari R)

Partner

M No:210225

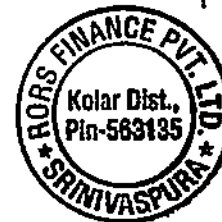
Date: 05-06-2023

Place: Srinivasapur

UDIN: 23210225BGUQB9275



P S Reddy
(P. SATHYANARAYANA REDDY)
Managing Director
DIN:01647506



Revathi Reddy

(REVATHI REDDY)

Director

DIN:01657584

RORS FINANCE PRIVATE LIMITED

CIN: U17124KA1987PTC008797

No. 65, Ramakrishna Extension, Srinivasapura, Kolar Dist., Karnataka.

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023

(Amounts in ₹'000)

| Particulars | Note | Figures as at the end current reporting period | | Figures as at the end Previous reporting period | |
|---|------|--|---------------|---|---------------|
| Income: | | | | | |
| Revenue from Operations | 15 | 82,008 | | 76,769 | |
| Other Income | 16 | 6,013 | | 5,389 | |
| Total Income (A) | | | 88,021 | | 82,158 |
| Expenses: | | | | | |
| Employee Benefits | 17 | 22,425 | | 18,925 | |
| Finance Costs | 18 | 35,665 | | 34,541 | |
| Administrative and Other Expenses | 19 | 9,262 | | 9,036 | |
| Depreciation and Amortisation | 9 | 1,315 | | 1,112 | |
| Receivables written off - Financing Activity | | 8,844 | | 6,093 | |
| Provision for Receivables - Financing Activity | 20.9 | 14 | | 466 | |
| Total Expenses (B) | | | 77,525 | | 70,173 |
| Profit before Exceptional, Extraordinary and Prior Period Items (A - B) | | | 10,495 | | 11,985 |
| Prior Period Items | | | - | | - |
| Profit Before Tax (C) | | | 10,495 | | 11,985 |
| Tax Expense (D) | | | | | |
| (1) Current Tax expenses for current year | | | 2,309 | | 3,016 |
| (2) Deferred Tax Asset | | | 24 | | (69) |
| Profit after Tax (C - D) | | | 8,210 | | 8,900 |
| Earnings per Share: | | | | | |
| (i) Basic & Diluted | 21 | | 1.76 | | 1.91 |

Significant Accounting policies and Notes to the Accounts - 1 to 24

As per our report of even date attached

For M/s.CN Jayachandran & Co

Chartered Accountants

FRN:001286S

For and on behalf of the Board of Directors

R. Maheswari
(CA Maheswari R.)
Partner
M.No:210225
Date: 05-06-2023
Place: Srinivasapur
UDIN: 23210225BGUQBU9275



P S Reddy
(P. SATHYANARAYANA REDDY)
Managing Director
DIN:01647506.

Revathi Reddy
(REVATHI REDDY)
Director
DIN:01657584



RORS FINANCE PRIVATE LIMITED

CIN: U17124KA1987PTC008797

No. 65, Ramakrishna Extension, Srinivasapura, Kolar Dist., Karnataka.

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(Amounts in ₹'000)

| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
|---|--|---|
| A. Cash flow from operating activities | | |
| Net Profit before extraordinary items and tax | 10,495 | 11,985 |
| <i>Adjustments for:</i> | | |
| Depreciation and amortisation | 1,315 | 1,112 |
| Interest income on FD | (3,425) | (2,963) |
| Profit on sale of asset | | (238) |
| Provision for doubtful trade and other receivables - loans and advances | 14 | 466 |
| Operating profit before working capital changes | 8,399 | 10,362 |
| <i>Changes in working capital:</i> | | |
| <i>Adjustments for (increase) / decrease in operating assets:</i> | | |
| Trade receivables under Financing Activity | 56,712 | (34,755) |
| Long-term loans and advances | (10) | 755 |
| Other current assets | (7,506) | (49,393) |
| | | - |
| <i>Adjustments for increase / (decrease) in operating liabilities:</i> | | |
| Long-term provisions | - | 3,077 |
| Other current liabilities | (24,086) | 45,601 |
| Short Term Provision | - | (3,566) |
| | 25,109 | (38,280) |
| Cash flow from extraordinary items | - | - |
| Cash generated from operations | 33,508 | (27,918) |
| Net income tax (paid) / refunds | (2,139) | (182) |
| Net cash flow used in operating activities (A) | 31,369 | (28,101) |
| B. Cash flow from investing activities | | |
| Capital expenditure on fixed assets | (486) | (2,990) |
| Sale of fixed assets | - | 272 |
| Interest received | | - |
| - Bank on FD | 3,425 | 2,963 |
| | 2,940 | 245 |
| Net cash flow from investing activities (B) | 2,940 | 245 |
| C. Cash flow from financing activities | | |
| Other Non current Asset | - | (3,730) |
| Proceeds from long-term borrowings | (57,280) | - |
| Net cash flow from financing activities (C) | (57,280) | (3,730) |



| | | | | |
|--|--|----------|--|----------|
| Net increase in Cash and cash equivalents (A+B+C) | | (22,971) | | (31,586) |
| Cash and cash equivalents at the beginning of the year | | 23,459 | | 55,045 |
| Cash and cash equivalents at the end of the year | | 488 | | 23,459 |
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | | 55,858 | | 73,959 |
| Less: Deposits not considered as Cash and cash equivalents | | 55,370 | | 50,500 |
| Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) | | 488 | | 23,459 |
| included in Note 13 | | 488 | | 23,459 |
| Cash and cash equivalents at the end of the year | | - | | - |
| * Comprises: | | - | | - |
| (a) Cash on hand | | 224 | | 950 |
| (b) Balances with banks | | 264 | | 22,509 |
| | | 488 | | 23,459 |

Notes:

(i) These earmarked account balances with banks can be utilised only for the specific identified purposes.
See accompanying notes forming part of the financial statements

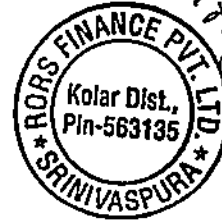
In terms of our report attached.
For M/s.CN Jayachandran & Co
Chartered Accountants
FRN:0012865

For and on behalf of the Board of Directors

R. Maheswari
(CA Maheswari R)
Partner
M.No:210225
Date: 05-06-2023
Place: Srinivasapur



P S Reddy
(P. SATHYANARAYANA REDDY)
Managing Director
DIN:01647506



Revathi Reddy
(REVATHI REDDY)
Director
DIN:01657584

RORS FINANCE PRIVATE LIMITED

CIN: U17124KA1987PTC008797

No. 65, Ramakrishna Extension, Srinivasapura, Kolar Dist., Karnataka.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1

CORPORATE INFORMATION

M/s. RORS Finance Private Limited (The Company) is registered with the Registrar of Companies - Bangalore as a Private Limited Company on 11th December 1987 vide Registration no. U17124KA1987PTC008797. The Company is holding a valid Certificate of Registration (COR) issued by Reserve Bank of India as a Non-Banking Financial Company - Micro Finance Institution (NBFC-MFI) operating its business without accepting public deposits vide certificate No. B - 02.00146 dated 07th November 2013.

The registered office of the company is located at No. 65, Ramakrishna Extension, Srinivasapura, Kolar Dist., Karnataka.

The Principal activities of the Company is to engage in microfinance activities with the ultimate objective of benefiting the poor and downtrodden for enhancement of their livelihoods in a financially viable manner. The Company generally provides small value collateral free loans as mentioned in NFI Guidelines provided by RBI notification no.RBI/DOR/2021-22/89 DoR.FIN.REC.95/03.10.038/2021-22 dated 14th March 2022 updated from time to time.

The Operations of the Company is concentrated within the states of Karnataka and Tamilnadu.

NOTE 2

SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting and Preparation of Financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the provisions of the Companies Act, 2013. The Company follows the directions prescribed by the Reserve Bank of India (RBI) for Non Banking-Financial Company - Micro Finance Institution.

2.2 Use of Estimates

The presentation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent assets and liabilities) at the end of the year and the reported revenues and expenses during the year. The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known/material.

2.3 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.4 Cash Flow Statement

Cash flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard 3. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

2.5 Property Plant Equipment and Intangible Assets

Property Plant Equipment and Intangible Assets are stated at cost net of depreciation and impairment losses. The cost of an asset comprises of its purchase price and any cost directly attributable for bringing the asset to its working condition and location for its intended use.

2.6 Depreciation and Amortisation

(i) Depreciation has been provided on the written down value method as per the useful life prescribed in Part "C" of Schedule II to the Companies Act, 2013. Intangible assets are amortised over their expected useful life.

(ii) Depreciation on additions is charged proportionately from the date of acquisition/installation.

2.7 Receivables Under Financing Activity

Receivables under Financing activity include Micro finance loans. Loans are classified into 'Performing and Non-Performing' assets in terms of the Non Banking Financial Companies Master Directions, and NBFC-MFI directions (as applicable) issued by the Reserve Bank of India as amended from time to time

2.8 Revenue Recognition

Revenues from Interest on loans financed by the company is recognised on accrual basis, considering the directions issued by the Reserve Bank of India from time to time in terms of the Non Banking Financial Companies Master Directions, and NBFC-MFI directions (as applicable) issued by the Reserve Bank of India as amended from time to time

Revenues from loan documentation and meeting charges are recognized as income on cash basis.

Processing fees at the rates as permitted by the RBI is charged on the Microfinance loans disbursed and the same is recognised as and when collected at the time of loan disbursement.

2.9 Other Income

Revenue from Interest income on fixed deposits with banks is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

All other incomes are recognized on accrual basis.



2.10 Employee Benefits

a) Short term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits.

b) Defined contribution plans

Company's contributions paid/payable during the year to Provident Fund, Pension fund and employee state insurance scheme are recognised in the statement of Profit and Loss based on amount of contribution required to be made and when services are rendered by the employees.

Gratuity liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried to the Balance Sheet.

Accumulated leave expected to be carried forward beyond twelve months are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Actuarial gains/ losses are immediately taken to the Statement of Profit and loss and are not deferred.

2.11 Provisions and Contingent Liabilities

Provisions are recognised on Total Loan Portfolio as per the requirements of The Reserve Bank of India. Provisions are created when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. All material known liabilities are provided for and liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to accounts.

2.12 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.13 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.14 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year after taking into consideration the benefits/disallowances admissible under the provisions of the Income Tax Act, 1961.

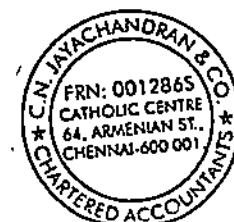
Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences.

Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.15 Operating Cycle

Based on the nature of activities of the company and normal time between acquisition of assets and their realisation of cash and cash equivalent, the company has determined operating cycle as 12 months for the purpose of classification of its assets and liabilities as non-current and current.



NOTE 3**SHARE CAPITAL**

(Amounts in ₹ '000)

| Particulars | Figures as at the end current reporting period | | Figures as at the end Previous reporting period | |
|--|--|--------|---|--------|
| | Number | ₹ | Number | ₹ |
| (i) Authorised Share Capital | | | | |
| Class A Equity shares of ₹ 10 each | 15,00,000 | 15,000 | 15,00,000 | 15,000 |
| Class B Equity shares of ₹ 10 each | 70,00,000 | 70,000 | 70,00,000 | 70,000 |
| | 85,00,000 | 85,000 | 85,00,000 | 85,000 |
| (ii) Issued, Subscribed and Fully Paid up capital | | | | |
| Class A Equity shares of ₹ 10 each | 10,13,958 | 10,140 | 10,13,958 | 10,140 |
| Class B Equity shares of ₹ 10 each | 36,46,442 | 36,464 | 36,46,442 | 36,464 |
| Total | 46,60,400 | 46,604 | 46,60,400 | 46,604 |

NOTE 3 Cont.

(a) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the reporting period:

| Particulars | Figures as at the end current reporting period | | Figures as at the end Previous reporting period | |
|---|--|--------|---|--------|
| | Number | ₹ | Number | ₹ |
| Shares outstanding at the beginning of the period | 46,60,400 | 46,604 | 46,60,400 | 46,604 |
| Add: Shares Issued during the period | - | - | - | - |
| Less: Shares bought back during the period | - | - | - | - |
| Shares outstanding at the end of the year | 46,60,400 | 46,604 | 46,60,400 | 46,604 |

Notes:

The Company has two classes of equity shares having par value of Rs. 10 per share.

Class A Equity shares: Each Class A equity share shall be entitled to ONE (1) vote and the voting rights issued to each Class A Equity share shall be EIGHT TIMES to the voting rights attached to one Class B Equity share.**Class B Equity shares:** Eight Class B equity share shall be entitled to ONE (1) vote and the voting rights issued to each Class B Equity share shall be ONE EIGHTH PART of the voting rights attached to one Class A Equity share.

The Company may declare and pay dividends in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) Details of shareholders holding more than 5% Shares in the Company

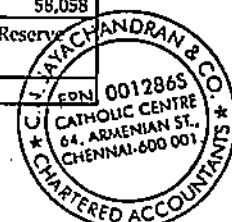
| Class of Shares/Name of the Shareholder | Figures as at the end current reporting period | | Figures as at the end Previous reporting period | |
|--|--|-----------------------------------|---|-----------------------------------|
| | No. of Shares Held | % holding in that class of shares | No. of Shares Held | % holding in that class of shares |
| Class A Equity Shares | | | | |
| 1) Mr. P. Sathyanarayana Reddy | 2,52,332 | 25% | 2,24,032 | 22% |
| 2) Mrs. Revathi Reddy | 1,38,386 | 14% | 1,31,496 | 13% |
| 3) Mr. Bharadwaj. S. Reddy | 1,34,100 | 10% | 1,34,100 | 13% |
| 4) Mr. Vasudeva Reddy | 1,06,775 | 13% | 1,06,775 | 11% |
| 5) Mrs. Madhavi | 1,00,000 | 11% | 1,00,000 | 10% |
| 6) Mr. Tappetta Ramu | 60,000 | 6% | - | - |
| | 7,91,593 | | 6,96,403 | |
| Class B Equity Shares | | | | |
| 6) M/s. Rores Micro Entrepreneur Development Trust | 31,98,942 | 88% | 31,98,942 | 88% |
| | 31,98,942 | | 31,98,942 | |

NOTE 4**RESERVES AND SURPLUS**

(Amounts in ₹ '000)

| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
|--|--|---|
| (a) Statutory reserves (Refer Note (i) below) | | |
| Opening Balance | 11,470 | 9,690 |
| Add: Transferred during the year | 1,642 | 1,780 |
| Closing balance | 13,112 | 11,470 |
| (b) General reserve | | |
| Opening balance | 3,011 | 3,011 |
| Add: Additions / transfers during the year | - | - |
| Closing balance | 3,011 | 3,011 |
| (c) Surplus in Statement of Profit and Loss | | |
| Opening balance | 43,576 | 36,456 |
| Add: Profit for the year | 8,210 | 8,900 |
| Less: Transferred to Statutory Reserves | (1,042) | (1,780) |
| Closing balance | 50,144 | 43,576 |
| Closing Balance | 66,268 | 58,058 |

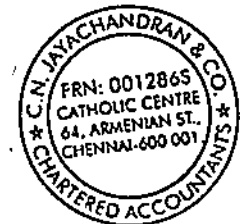
The Company has transferred 20% of Profit after tax to the Statutory Reserve in accordance with the provisions of section 45-IC of Reserve Bank of India Act, 1934.



| NOTE 5 | | |
|--|--|---|
| LONG TERM BORROWINGS | | (Amounts in ₹ '000) |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| Secured | | |
| (a) Term Loans | | |
| (i) From Banks | 59,463 | 1,72,545 |
| (ii) Financial Institutions | 62,390 | 14,788 |
| Unsecured | | |
| (b) Loan from directors and shareholders | 13,650 | 5,450 |
| Total | 1,35,503 | 1,92,783 |
| NOTE 6 | | |
| LONG TERM PROVISIONS | | (Amounts in ₹ '000) |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| (a) Provision - Receivables under financing activities | | |
| Contingent Provisions against receivables | 3,287 | 3,252 |
| Total | 3,287 | 3,252 |
| NOTE 7 | | |
| OTHER CURRENT LIABILITIES | | (Amounts in ₹ '000) |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| (a) Current Maturities of Long Term Debt | | |
| (i) Banks | 1,31,059 | 1,50,920 |
| (ii) Financial Institutions | 33,854 | 36,106 |
| (b) Interest Accrued but not due on Borrowings | 1,584 | 1,952 |
| (c) Other Payables | | |
| (i) Statutory Remittances* | 354 | 627 |
| (ii) Others | | |
| - Insurance Premium Payable | 556 | 2,008 |
| - Other Expenses payable | 686 | 567 |
| Total | 1,68,094 | 1,92,180 |
| * Statutory Remittances include TDS, Professional tax, ESI and GST. | | |
| NOTE 8 | | |
| SHORT TERM PROVISIONS | | (Amounts in ₹ '000) |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| (a) Provision - Others: | | |
| Opening Balance - Provision for Tax | 1,167 | 330 |
| Add: Current Year Provision for Taxes | 2,309 | 3,016 |
| Add: Prior period refund received adjusted to the short provision | - | 385 |
| Less: Self Assessment Tax | (1,039) | (567) |
| Less: Tax Deducted at Source | (470) | (376) |
| Less: Tax Collected at Source | - | (22) |
| Less: Advance Tax | (1,100) | (1,600) |
| | 867 | 1,167 |
| (b) Provision - Receivables under financing activities | | |
| (i) Contingent provisions against receivables | 2,191 | 2,212 |
| Total | 3,058 | 3,379 |
| Note: Provision for Gratuity and Leave Encashment has been reclassified to other expenses payable for the purpose of accuracy in presentation of Financial Statement | | |
| NOTE 10 | | |
| LONG TERM LOANS AND ADVANCES | | (Amounts in ₹ '000) |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| Unsecured, considered good | | |
| (i) Security Deposits | 926 | 916 |
| (ii) Income Tax Refund Due (Amount deposited for Appeal filed during the AY 17-18) | 1,740 | 1,740 |
| Total | 2,666 | 2,656 |



| NOTE 11 | | |
|--|--|---|
| OTHER NON-CURRENT ASSETS | | (Amounts in ₹ '000) |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| Unsecured, considered good | | |
| (a) Receivables under Financing Activity - Non- Current | 44,677 | 36,508 |
| Total | 44,677 | 36,508 |
| NOTE 12 | | |
| TRADE RECEIVABLES UNDER FINANCING ACTIVITY | | (Amounts in ₹ '000) |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| Unsecured, considered good | | |
| (a) Receivables under Financing Activity ≤ 6 Months | 1,91,716 | 2,37,053 |
| (b) Receivables under Financing Activity > 6 Months | 1,11,764 | 1,31,307 |
| Total | 3,03,480 | 3,68,361 |
| NOTE 13 | | |
| CASH AND CASH EQUIVALENTS | | (Amounts in ₹ '000) |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| (a) Cash and Cash Equivalents | | |
| (i) Cash on Hand | 224 | 950 |
| (ii) Balances with Bank - in current accounts | 264 | 22,509 |
| Total | 488 | 23,459 |
| Of the above, the balances that meet the definition of Cash and cash equivalents as per AS-3 Cash Flow Statements is | 488 | 23,459 |
| NOTE 14 | | |
| OTHER CURRENT ASSETS | | (Amounts in ₹ '000) |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| Unsecured, Considered good | | |
| (a) Interest Accrued but not due | | |
| (i) On Trade Receivables from Financing Activity | 1,744 | 1,207 |
| (ii) On Fixed Deposits | 5,680 | 4,145 |
| (b) Others | | |
| (i) Advances receivable | 326 | 429 |
| (ii) Other receivables | 761 | 626 |
| (iii) Prepaid processing Fee | 1,646 | 1,584 |
| (c) Earmarked Deposits with Banks and NBFCs (Note.14.1) | 55,370 | 50,500 |
| Total | 65,528 | 58,491 |
| Note:14.1: Balance held as margin money or security against borrowings | | |



| NOTE 15 | | |
|---|--|---|
| REVENUE FROM OPERATIONS | | |
| (Amounts in ₹ '000) | | |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| Interest on loans under Financing Activity | 77,201 | 72,322 |
| Processing Fees on Loans under Financing Activity | 4,807 | 4,448 |
| Total | 82,008 | 76,769 |

| NOTE 16 | | |
|-----------------------------------|--|---|
| OTHER INCOME | | |
| (Amounts in ₹ '000) | | |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| Interest Income on Fixed Deposits | 3,425 | 2,963 |
| Other Non - Operating Income | 1,273 | 1,287 |
| Bad Debts recovered | 1,314 | 1,139 |
| Total | 6,013 | 5,389 |

| NOTE 17 | | |
|--|--|---|
| EMPLOYEE BENEFIT EXPENSES | | |
| (Amounts in ₹ '000) | | |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| Salary, Allowances and Incentives | 16,625 | 14,298 |
| Director's Remuneration | 2,520 | 1,980 |
| Contribution to Provident Fund and Other funds | 2,343 | 1,745 |
| Staff welfare Expenses | 676 | 413 |
| Provision for Gratuity and Leave Encashment | 261 | 489 |
| Total | 22,425 | 18,925 |

| NOTE 18 | | |
|---|--|---|
| FINANCE COSTS | | |
| (Amounts in ₹ '000) | | |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| (a) Interest expense on Borrowings | 34,741 | 33,332 |
| (b) Other Finance Costs Processing Fee and Documentation charges | 924 | 1,209 |
| Total | 35,665 | 34,541 |

| NOTE 19 | | |
|---|--|---|
| ADMINISTRATIVE AND OTHER EXPENSES | | |
| (Amounts in ₹ '000) | | |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| Rent, Rates and Taxes | 1,834 | 1,815 |
| Repairs and Maintenance | 2,684 | 3,075 |
| Postage and Communication | 240 | 230 |
| Travelling and Conveyance | 754 | 473 |
| Printing and Stationery | 452 | 304 |
| Bank Charges | 185 | 382 |
| Legal and Professional charges | 637 | 212 |
| Fee for company law compliance | 12 | 34 |
| Payments to Auditors (Refer Note (i) below) | 75 | 75 |
| GST and Service Tax (Refer Note (ii) below) | 344 | 1,135 |
| Staff recruitment and Training Expenses | 1,442 | 620 |
| Membership and rating fees | 497 | 465 |
| Director sitting fee | 80 | 90 |
| Miscellaneous Expenses | 27 | 127 |
| Total | 9,262 | 9,036 |

| Note | | |
|---|--|---|
| (i) Payments to the Auditors comprises of (net of Goods and service tax input credit): | | |
| (Amounts in ₹ '000) | | |
| Particulars | Figures as at the end current reporting period | Figures as at the end Previous reporting period |
| For Statutory Audit and taxation matters | 75 | 75 |
| Total | 75 | 75 |

(ii) As per the Provisions of Central Goods and Service Tax Act, 2017, The company has opted to pay every month an amount equal to fifty per cent of the GST Input Tax Credit availed on all its inputs, Capital Goods and Input Services in that month from 1st July, 2017.



Note 5 (Cont.):

(Amounts in ₹ '000)

| (i) Details of terms of repayment for the long-term borrowings | | | | | |
|--|-------------------------------|----------------------|----------------------|----------------------|-----------------|
| Particulars | Rate of Interest (RoI) | As at March 31, 2023 | | As at March 31, 2022 | |
| | | Current | Non-Current | Current | Non-Current |
| Term loans from banks: | | | | | |
| Canara Bank - Term Loan 5 | 1 Yr MCLR + 6.20% pa | - | - | 14,124 | 3,531 |
| Canara Bank - Term Loan 6 | 1 Yr MCLR + 3.70% + 0.40 % pa | 13,592 | - | 13,592 | 13,592 |
| Canara Bank - Term Loan 7 | 1 Yr MCLR + 4.70+0.40 % pa | 12,500 | - | 16,667 | 12,500 |
| Canara Bank Loan - CGS | 9.35% | 16,667 | 12,500 | 16,667 | 29,167 |
| Union bank of India T L 3 | 1 Yr MCLR + 2.65% + 0.25% pa | 7,794 | - | 13,333 | 7,794 |
| Union bank of India T L 4 | 1 Yr MCLR + 2.65% + 0.10% pa | 26,667 | - | 29,091 | 26,667 |
| Union bank of India T L 5 | 1 Yr MCLR + 2.65% + 0.10% pa | 18,349 | 18,015 | 15,152 | 14,848 |
| State Bank of India - CGS | 9% | 17,143 | 12,451 | 17,143 | 29,597 |
| UCO Bank- Term Loan 3 | 11.60% | 18,349 | 16,497 | 15,152 | 34,848 |
| Total - Term Loans from Banks | | 1,31,059 | 59,463 | 1,50,920 | 1,72,545 |
| Term loans from others: | | | | | |
| Karnataka State Finance Corporation MCS | 14.00% p.a. | 13,100 | - | 11,000 | 13,100 |
| Karnataka State Finance Corporation Loan 3 | 14.00% p.a. | 8,200 | 29,800 | - | - |
| Electronica Finance Limited | | 2,121 | 16,445 | - | - |
| Small Industries Development Bank of India- Special Liquidity Support | 6.97 % pa. | 10,227 | 14,773 | - | - |
| Small Industries Development Bank of India- Special Liquidity Support - 2 | 8.75% | - | - | 25,000 | - |
| Vehicle Loan- Safari | 7.5% p.a | 206 | 1,373 | 106 | 1,688 |
| Total - Term Loans from Financial Institutions | | 33,854 | 62,390 | 36,106 | 14,788 |
| (ii) Details of borrowings from related parties by the Company: | | | | | |
| Particulars | Terms and conditions | As at March 31, 2023 | | As at March 31, 2022 | |
| | | Current | Non-Current | Current | Non-Current |
| Directors | RoI - 13% p.a | - | 600 | - | 600 |
| Shareholders | RoI - 13% p.a | - | 6,550 | - | 4,850 |
| Related Parties | RoI - 13% p.a | - | 6,500 | - | - |
| Total | | - | 13,650 | - | 5,450 |
| (iii) Details of long-term borrowings guaranteed by some of the directors or others: | | | | | |
| Particulars | | As at March 31, 2023 | As at March 31, 2022 | | |
| | | (Amounts in ₹ '000) | (Amounts in ₹ '000) | | |
| Term loans from banks | | | | | |
| Canara Bank | | 55,259 | 1,19,839 | | |
| Union Bank of India | | 70,824 | 1,06,885 | | |
| State Bank of India | | 29,593 | 46,740 | | |
| UCO Bank | | 34,846 | 50,000 | | |
| Total (A) | | 1,90,522 | 3,23,464 | | |
| Term loans from Financial Institutions | | | | | |
| Karnataka State Finance Corporation | | 51,100 | 24,100 | | |
| Small Industries Development Bank of India- Special Liquidity Support | | 25,000 | 25,000 | | |
| Electronica Finance Limited | | 18,566 | - | | |
| Total (B) | | 94,666 | 49,100 | | |
| Grand Total (A+B) | | 2,85,188 | 3,72,564 | | |



RORS FINANCE PRIVATE LIMITED

CIN: U17124KA1987PTC008792

No. 65, Ramakrishna Extension, Srinivasapura, Kolar Dist., Karnataka,

NOTE 9

PROPERTY, PLANT, EQUIPMENT & INTANGIBLE ASSETS AS AT March 31, 2023

(Amounts in ₹ '000)

| Sl. No. | Particulars | Gross Block | | | | Depreciation | | | Net Block | | |
|-----------------------------|------------------------------------|---------------------------|------------|--------------|---------------------------|---------------------|---------------------------|----------------------------|---------------------|----------------------|----------------------|
| | | Cost as at 01 - 04 - 2022 | Additions | Deductions | Cost as at 31 - 03 - 2023 | Upto 31 - 03 - 2022 | Depreciation for the Year | On Disposal 31 - 03 - 2023 | Upto 31 - 03 - 2023 | As at 31 - 03 - 2023 | As at 31 - 03 - 2022 |
| A. Tangible Assets | | | | | | | | | | | |
| 1 | Furniture and Fixtures | 482 | 7 | - | 489 | 386 | 23 | - | 409 | 81 | 96 |
| 2 | Vehicles | 5,923 | - | 1,073 | 4,851 | 3,100 | 730 | 1,073 | 2,757 | 2,094 | 2,824 |
| 3 | Office Equipments | 2,041 | 304 | - | 2,345 | 1,384 | 221 | - | 1,605 | 740 | 656 |
| 4 | Computers and Printers | 1,700 | 174 | - | 1,874 | 1,443 | 142 | - | 1,585 | 289 | 257 |
| | Total Tangible Assets (A) | 10,146 | 486 | 1,073 | 9,559 | 6,312 | 1,116 | 1,073 | 6,355 | 3,204 | 3,834 |
| B. Intangible Assets | | | | | | | | | | | |
| 1 | Intellectual Property | 4,000 | - | - | 4,000 | 4,000 | - | - | 4,000 | - | - |
| 2 | Goodwill | 3,795 | - | - | 3,795 | 3,795 | - | - | 3,795 | - | - |
| 3 | Software License | 2,174 | - | - | 2,174 | 1,666 | 200 | - | 1,866 | 308 | 508 |
| | Total Intangible Assets (B) | 9,969 | - | - | 9,969 | 9,462 | 200 | - | 9,661 | 308 | 508 |
| | Total Assets (A + B) | 20,115 | 486 | 1,073 | 19,528 | 15,774 | 1,315 | 1,073 | 16,016 | 3,512 | 4,341 |
| | Previous Year | 17,159 | 2,990 | 33 | 20,115 | 14,662 | 1,112 | - | 15,774 | 4,341 | 2,497 |

Note: Vehicle costing Rs. 1406003 Sold in the previous year Net value of Rs 33300 such asset has been removed from Gross Block. In current year the provision for depreciation has been reversed and the asset has been nullified.



RORS FINANCE PRIVATE LIMITED**CIN: U17124KA1987PTC008797****No. 65, Ramakrishna Extension, Srinivasapura, Kolar Dist., Karnataka.****Sub Schedules forming part of Accounts for the Financial Year 2022 - 23**

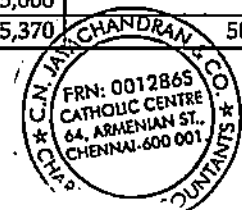
| | | F Y 2022 - 23 | F Y 2021 - 22 |
|----------------|---|----------------------------|----------------------------|
| Sub Sch | Other Non Operating Revenue | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Profit on Sale of Fixed Assets | - | 238 |
| | Bonus on Margin money EFL (Interest on FLDG) | - | 216 |
| | Interest on Cash Reserves with MAS (Interest on FLDG) | - | 106 |
| | Interest on FD-SIDBI | 16 | - |
| | Interest on FD - Canara Bank | 1,690 | 1,360 |
| | Interest on FD - UCO Bank | 260 | 159 |
| | Interest on FD - UBI | 1,161 | 888 |
| | Interest on FD - SBI | 298 | 133 |
| | Agency services Commission | 1,273 | 973 |
| | Interest on IT Refund | - | 76 |
| | Total | 4,698 | 4,147 |
| Sub Sch | Salary Allowances and incentives | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Collection officer's salary | 7,728 | 5,958 |
| | Senior Branch Manager and Manager salary | 3,336 | 2,609 |
| | Officer manager salary | 440 | 426 |
| | Regional Co-ordinators salary | 1,753 | 1,605 |
| | Finance Manager salary | 362 | 322 |
| | Data entry operators salary | 215 | 236 |
| | Co-ordinators and Internal auditor Salary | 564 | 702 |
| | Driver salary | 174 | 141 |
| | Software Incharge salary | 516 | 409 |
| | Office Assistant Salary | 110 | 116 |
| | Group Verification Officer Salary | 155 | 106 |
| | Bonus and Special Incentive to Staff | 1,273 | 1,670 |
| | Total | 16,625 | 14,298 |
| Sub Sch | Director's Remuneration | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Managing Director's salary | 1,020 | 790 |
| | Director salary | 1,500 | 1,190 |
| | Total | 2,520 | 1,980 |
| Sub Sch | Staff Welfare Expenses | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Staff Welfare | 676 | 413 |
| | Leave encashment and gratuity | 261 | 489 |
| | Total | 937 | 902 |
| Sub Sch | Rent, Rates and Taxes | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Rent Expenses | 1,646 | 1,633 |
| | Electricity | 185 | 180 |
| | Professional tax | 3 | 3 |
| | Total | 1,834 | 1,815 |
| Sub Sch | Processing charges | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Processing Fees & Documentation Charges | 924 | 1,209 |
| | Total | 924 | 1,209 |



| Sub Sch | Interest on Borrowings | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
|---------|--|---------------------|---------------------|
| | Interest paid on KSFC Loan | 4,083 | 4,135 |
| | Interest Paid on Canara Bank Loan | 10,349 | 13,897 |
| | Interest on UBI Loan | 9,872 | 9,112 |
| | Interest on SBI Loan | 3,547 | 1,374 |
| | Interest on Electronica Finance Loan | 678 | - |
| | Interest on Habitat Loan | - | 704 |
| | Interest on SIDBI Loan | 464 | 1,799 |
| | Interest on UCO Loan | 4,643 | 962 |
| | Interest on MAS Loan | - | 639 |
| | Interest on Unsecured Loans | 945 | 640 |
| | Interest on Vehicle Loan | 161 | 70 |
| | Total | 34,741 | 33,332 |
| Sub Sch | Repairs and Maintenance | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Vehicle Maintenance | 192 | 1,024 |
| | Office Maintenance | 849 | 690 |
| | Computer and Equipments maintenance | 112 | 141 |
| | Four Wheeler Maintenance | 824 | 536 |
| | Website Charges | 12 | 24 |
| | Cloud & Software Maintenance | 695 | 660 |
| | Total | 2,684 | 3,075 |
| Sub Sch | Printing and Stationery | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Printing | 252 | 161 |
| | Stationery | 200 | 143 |
| | Total | 452 | 304 |
| Sub Sch | Legal and Professional Charges | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Legal fee | 5 | 25 |
| | Professional and Consultancy Charges | 632 | 187 |
| | Total | 637 | 212 |
| Sub Sch | Membership and rating fees | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Rating Agencies & Credit Bureau Report fee | 154 | 152 |
| | Membership fee (institutional) including contributions | 118 | 163 |
| | MFI Grading Fee | 225 | 150 |
| | Total | 497 | 465 |
| Sub Sch | Miscellaneous expense | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Miscellaneous | 1 | 81 |
| | Insurance Expenses | 26 | 46 |
| | Total | 27 | 127 |
| Sub Sch | Interest accrued but not due on Borrowings | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Interest payable on Loans | 1,588 | 1,952 |
| | Total | 1,588 | 1,952 |
| Sub Sch | Statutory Remittances | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Tamil Nadu Goods and Service Tax Payable | 66 | 107 |
| | Karnataka Goods and Service Tax Payable | - | 83 |
| | TDS Payable | 139 | 167 |
| | Professional tax payable | 3 | 3 |
| | Provident Fund Payable | 142 | 262 |
| | ESI payable | 4 | 5 |
| | Total | 354 | 627 |



| Sub Sch | Other Expenses Payable | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
|---------|--|---------------------|---------------------|
| | Provision for audit fee | 350 | 68 |
| | Other Short term Payable | 74 | 11 |
| | Leave encashment and gratuity payable | 261 | 489 |
| | Total | 686 | 567 |
| Sub Sch | Security Deposits | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Telephone deposit | 11 | 11 |
| | Rent Advance HO | 400 | 400 |
| | Rent Advance Salem Branch | 50 | 50 |
| | Rent Advance Bhavani Branch | 25 | 25 |
| | Rent Advance Chintamani Branch | 40 | 40 |
| | Rent Advance Vaniyambadi Branch | 55 | 55 |
| | Rent Advance Chikkaballapur Branch | 40 | 40 |
| | Rent Advance Krishnagiri Branch | 50 | 50 |
| | Rent Advance Gudiyatham Branch | 15 | 15 |
| | Rent Advance Vellore Branch | 30 | 30 |
| | Rent Advance Kolar Branch | 100 | 100 |
| | Rent Advance Cheyyar | 20 | 20 |
| | Rent Advance Tirupathur | 10 | 10 |
| | Rent Advance Ambur | 40 | 40 |
| | Rent advance Mulbagal | 20 | 10 |
| | Rent advance - Pernambut | 20 | 20 |
| | Total | 926 | 916 |
| Sub Sch | Trade receivables under Financing Activity | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Micro finance Loan | 3,48,157 | 4,04,869 |
| | | | - |
| | Non-current | 44,677 | 36,508 |
| | less than 6 months | 1,91,716 | 2,37,053 |
| | 6 months to 12 months | 1,11,764 | 1,31,307 |
| | Total | 3,48,157 | 4,04,869 |
| Sub Sch | Cash in Hand | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Cash in Hand | 158 | 930 |
| | Petty Cash Advance | 36 | 20 |
| | Total | 194 | 950 |
| Sub Sch | Cash at Bank | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Cash at Bank | 136 | 14,145 |
| | Cash at Bank Canara Bank | 63 | 8,223 |
| | Cash at Bank - UBI Bangalore | 17 | 95 |
| | Cash at Bank - Canara (KSFC No lien Account) | 6 | 6 |
| | Cash at Bank - SBI | 10 | 26 |
| | Cash at bank - UCO Bank | 13 | 16 |
| | Cash at bank - canara 8499 tfr account | 20 | - |
| | Total | 264 | 22,509 |
| Sub Sch | FLDG Deposits with banks and NBFCs | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Fixed deposit - Canara Bank | 19,000 | 24,000 |
| | Fixed deposit - Union Bank of India | 19,670 | 16,000 |
| | Fixed deposit - State Bank of India | 5,500 | 5,500 |
| | Fixed deposit - UCO Bank | 5,000 | 5,000 |
| | Margin money with EFL | 1,200 | - |
| | Fixed Deposit - SIDBI | 5,000 | - |
| | Total | 55,370 | 50,500 |



| Sub Sch | Interest Receivable | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
|---------|--|---------------------|---------------------|
| | Interest Receivable | 698 | 623 |
| | Interest accrued but not due | - | 584 |
| | Total | 698 | 1,207 |
| Sub Sch | Interest on Fixed deposits | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Accrued interest on FD - UCO | 422 | 188 |
| | Accrued Interest On FDs - Canara Bank | 2,314 | 2,136 |
| | Accrued Interest On FDs - UBI | 2,434 | 1,389 |
| | Accrued Interest on FDs-SBI | 495 | 227 |
| | Bonus Money Receivable from EFL (Interest on FLDG) | - | 161 |
| | Accrued Interest on FDs-SIDBI | 15 | - |
| | Accrued interest on SDs - MAS | - | 44 |
| | Total | 5,680 | 4,145 |
| Sub Sch | Advances Receivable | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Sundry Advances | 249 | 399 |
| | Other Travels Advances Paid | 25 | 30 |
| | TDS receivable-Kotak | 127 | - |
| | TDS receivable-Canara Bank | 169 | - |
| | TDS receivable-UBI | 116 | - |
| | TDS receivable-SBI | 30 | - |
| | TDS receivable-UCO | 26 | - |
| | TDS receivable-SIDBI | 2 | - |
| | TDS refund Receivable from EFL | 52 | - |
| | Total | 796 | 429 |
| Sub Sch | TDS receivable and Income tax refund due | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Income Tax IT Appeal 20% | 1,740 | 1,740 |
| | Total | 1,740 | 1,740 |
| Sub Sch | Other Receivables | (Amounts in ₹ '000) | (Amounts in ₹ '000) |
| | Kotak Insurance and Commission Due | 100 | 100 |
| | Insurance claims receivable | 558 | 325 |
| | Insurance Brokerage receivable | 58 | - |
| | Karnataka GST Input Credit | 31 | 28 |
| | Karnataka GST Input Credit Not filed | 14 | 173 |
| | Tamilnadu GST Input Credit | - | - |
| | Total | 761 | 626 |



RORS FINANCE PRIVATE LIMITED

CIN: U17124KA1987PTC008797

No. 65, Ramakrishna Extension, Srinivasapura, Kolar Dist., Karnataka.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 20 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

(Amounts in ₹ '000)

| Note | PARTICULARS | | |
|------|---|---------------------|---------------------|
| 20.1 | Earnings in foreign currency - Nil (As at 31st March, 2023 - Nil) | | |
| 20.2 | Expenditure in foreign currency - Nil (As at 31st March, 2023 - Nil) | | |
| 20.3 | Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The above information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors. | | |
| 20.4 | Qualifying Assets Ratio | | |
| | Particulars | ₹ | % |
| | A. Total Assets of the Company | 4,22,814 | |
| | B. Qualifying Assets | 3,49,902 | |
| | Qualifying Assets Ratio | | 82.76% |
| 20.5 | Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CCM (PK)-2008 dated 1st August 2008 | | |
| | (i) Capital to Risk asset ratio | | |
| | Particulars | March 31, 2023 ₹ | March 31, 2022 ₹ |
| | Tier I Capital | 1,10,100 | 1,01,714 |
| | Tier II Capital | 4,552 | 5,242 |
| | Total | 1,14,652 | 1,06,956 |
| | Total Risk Weighted Assets | 3,64,185 | 4,19,350 |
| | Capital Ratios | | |
| | Tier I Capital as percentage of Total Risk Weighted Assets (%) | 30.23% | 24.26% |
| | Tier II Capital as percentage of Total Risk Weighted Assets (%) | 1.25% | 1.25% |
| | Capital to Risk Asset Ratio (CRAR) | 31.48% | 25.51% |
| 20.6 | Statutory Reserve As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at the rate of 20% of the Net profit after tax of the Company every year. Accordingly, the Company has transferred an amount of ₹1642/- (Year ended March 31, 2022 ₹1779.974/-), out of the Net Profit after tax for the year ended March 31, 2023 to Statutory Reserve. | | |
| 20.7 | Membership with Credit Information Companies As directed by RBI, the Company has become a member of all 4 Credit Information Companies (CIC). The Company provides timely and accurate data to the CICs and ensures compliance with the conditions prescribed. | | |
| 20.8 | Disclosure of Contingent Liability The Company's Income Tax Returns for the AY 2017 - 18 was assessed by the Assessing Office. Although, the company has supplied the sufficient informations about the Cash Deposits, the department has pointed that, in absence of PAN Details, all the cash deposits will be treated as Undisclosed Cash Deposits and passed an Assessment Order by imposing a huge tax at a special Tax rate. The Company has preferred an Appeal in this regard and necessary forms and documents has been filed. Also, 20% of Demand (i.e Rs. 17,40,000/-) was paid as per the Provisions of Income Tax Act. Total Demand raised in the Assessment was Rs. 69,58,920/- | | |



RORS FINANCE PRIVATE LIMITED

CIN: U17124KA1987PTC008797

No. 65, Ramakrishna Extension, Srinivasapura, Kolar Dist., Karnataka.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 20.9 Asset Classification and Provisioning

(Amounts in ₹ '000)

Note
20.9(a)

Particulars
Asset Classification & Provisioning

The company complies with the master directions issued by the Reserve Bank of India (RBI) with regard to Income recognition, asset classification and provisioning. The company is following provisioning norms as recommended vide DNBS.CC. PD.No.250/03. 10.01/2011-12 dated 2 December 2011, DNBS.PD/CC.No.263/03.10.038/2011-12 dated 20 March 2012 and DNBS.(PD).CC.No.347/03.10.38/2013-14 dated 1 July 2013.

Accordingly, during the year, the Company in line with the guidelines laid down under the DNBR.PD.007/03.10.119/2016-17 as amended on October 17, 2016 has provided ₹ 5479/- as at March 31, 2023. The disclosure made in the following table with respect to the asset classification and the provision is as per the RBI guidelines:

| Particulars | As at April 01 2022 (₹ in '000) | Additions (₹ in '000) | Utilisation/Reversal (₹ in '000) | As at March 31 2023 (₹ in '000) |
|---|------------------------------------|--------------------------|-------------------------------------|------------------------------------|
| Provision for receivables for Current Year | 5,464 | 14 | - | 5,478 |
| Provision for receivables for Previous Year | 4,998 | 466 | - | 5,464 |

Of the above, the following amounts are expected to be incurred within a year:

| Particulars | For the year ended March 31, 2023 (₹ in '000) | For the year ended March 31, 2022 (₹ in '000) |
|--|---|---|
| Provision for receivables for Current Year | 5,478 | 5,464 |

The NPA provisioning norms as per Chapter VIII Point No.50 adopted by the Company are the higher of the following:

a. 1 % of the outstanding loan portfolio

or

b. 50% of the aggregate loan instalments overdue for more than 90 days but less than 180 days and 100% of the aggregate loan instalments which are overdue for more than 180 days

| Assets | Loan Portfolio -Micro finance Loans ₹ in '000 | Provision % | Provision ₹ in '000 |
|---|--|----------------|------------------------|
| a. Total Outstanding loan portfolio | 3,48,157 | 1.00% | 3,482 |
| Total (a) | 3,48,157 | | 3,482 |
| b. Instalments overdue for more than 90 days but less than 180 days | 929 | 50% | 465 |
| d. instalments overdue for more than 180 days | 4,156 | 100% | 4,156 |
| Total (c+d) | 5,085 | | 4,620 |

The Company made a provision of 0.25% on Standard Assets as per point no.14 of RBI Master Directions:

| Assets | Standard Asset ₹ | Provision % | Provision ₹ |
|-----------------|------------------|----------------|----------------|
| Standard Assets | 3,43,072 | 0.25% | 858 |
| Total | | | 858 |

In the opinion of the management, overdue loans amounting to ₹8844.446/- (Previous year ₹6093.032/-) were not recoverable and were written off during the year. The management has agreed to maintain the provisions at Rs. 5479/-.



Schedule to the Balance Sheet of a non-deposit taking non-banking financial company
(as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

| Particulars | | (Amount in ₹ '000) | |
|--|--|--------------------|--------------------|
| Liabilities side : | | | |
| 1 | Loans and advances availed by the nonbanking financial company inclusive of interest accrued thereon but not paid: | Amount outstanding | Amount overdue |
| | (a) Subordinated Debt : | - | - |
| | Secured | - | - |
| | Unsecured | - | - |
| | (other than falling within the meaning of public deposits*) | - | - |
| | (b) Term Loans | 2,86,767 | - |
| | (c) Inter-corporate loans and borrowing | - | - |
| (d) Other Loans (specify nature) | Secured | - | - |
| | Unsecured - Directors and Share Holders | 13,650 | - |
| | | | |
| Assets side : | | | |
| | | | (Amount in ₹ '000) |
| 2 | Break-up of Loans and Advances including bills receivables (Other than those included in | | |
| | (a) Secured | | - |
| | (b) Unsecured | | 3,48,157 |
| 3 | Break up of Leased Assets and stock on hire and other assets counting towards AFC | | |
| | (i) Lease assets including lease rentals under | | |
| | (a) Financial lease | | - |
| | (b) Operating lease | | - |
| 4 Borrower group-wise classification of assets financed as in (2) and (3) above: | | | |
| Category | Amount net of provisions | | |
| | Secured | Unsecured | Total |
| 1. Related Parties | | | |
| (a) Subsidiaries | - | - | - |
| (b) Companies in the same group | - | - | - |
| 2. Other than related parties | - | 3,48,157 | 3,48,157 |
| Total | | | |
| 5 Other information | | | |
| Particulars | | | (Amount in ₹ '000) |
| (i) | Gross Non-Performing Assets | | |
| | (a) Related parties | | - |
| | (b) Other than related parties | | 5,085 |
| (ii) | Net Non-Performing Assets | | |
| | (a) Related parties | | - |
| | (b) Other than related parties | | 393 |



RORS FINANCE PRIVATE LIMITED

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No. 65, Ramakrishna Extension, Srinivasapura, Kolar Dist., Karnataka.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 21 DISCLOSURES UNDER ACCOUNTING STANDARD - 20

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Earnings per share | | |
| Net profit after tax for the year - in ₹ in '000 | 8,210 | 8,900 |
| Weighted Average number of Equity Shares (Nos.) | 46,60,400 | 46,60,400 |
| Face Value per Share - in ₹ | 10 | 10 |
| Earnings Per Share - in ₹ | | |
| -Basic | 1.76 | 1.91 |
| -Diluted | 1.76 | 1.91 |

NOTE 22 DISCLOSURES UNDER ACCOUNTING STANDARD - 22

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| | (Amount in ₹ '000) | (Amount in ₹ '000) |
| Deferred tax (liability) / asset | | |
| Opening Balance | 2,439 | 2,508 |
| Timing Difference between Depreciation on fixed assets | 24 | (69) |
| Net deferred tax (liability) / asset | 2,463 | 2,439 |

NOTE 23 DISCLOSURES UNDER ACCOUNTING STANDARD - 18

23.a RELATED PARTY TRANSACTIONS

| Details of related parties: | |
|---|---|
| Description of relationship | Names of related parties |
| 1 Managing Director | Mr. P. Sathyanarayana Reddy |
| 2 Director | Mrs. Revathi Reddy |
| 3 Relative of Managing Director, son of Mr. P.S. Reddy | Mr. Bharadwaj S Reddy |
| 4 Director | Mr. V. Sreenivasulu |
| Entities in which the Key Management personnel can control or exercise significant influence over the Entity in | |
| Name of the Entity | Designation of the Key Management |
| M/s. Rores Micro Entrepreneur Development Trust | Mr. P.S. Reddy, Founder Secretary and CEO |
| Note: Related parties have been identified by the Management and relied upon by the auditors. | |

23.b Details of related party transactions during the year ended March 31, 2023 and balances outstanding as at March 31, 2023:

| Particulars | For the year ended | For the year ended |
|-------------------------------------|--------------------|--------------------|
| | March 31, 2023 | March 31, 2022 |
| Transactions during the year | | |
| Remuneration and Salary Paid | | |
| Mr. P. Sathyanarayana Reddy | 1,075 | 790 |
| Mrs. Revathi Reddy | 510 | 410 |
| Mr. V Srinivasulu | 896 | 780 |
| Mr. Bharadwaj S Reddy | 474 | 409 |
| Interest paid on term loans | | |
| Mrs. Revathi Reddy | 72 | 66 |
| Mrs. N.Prasanna Reddy | 44 | - |
| Mr. Bharadhwaj S.Reddy | 154 | - |
| Mr. P.Vasu Deva Reddy | 17 | - |

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Balances outstanding at the end of the year | | |
| Unsecured Loans | | |
| Mrs. Revathi Reddy | 600 | 600 |
| Mrs. N.Prasanna Reddy | 600 | - |
| Mr. Bharadhwaj S.Reddy | 2,100 | - |
| Mr. P.Vasu Deva Reddy | 500 | - |
| Salary and Incentives Payable | | |
| Mr. P. Sathyanarayana Reddy | 130 | 150 |
| Mrs. Revathi Reddy | 70 | 80 |
| Mr. V Srinivasulu | 126 | 140 |
| Mr. Bharadwaj S Reddy | 67 | 74 |



Note 24:

(Amounts in ₹ '000)

Disclosure of Average Rate of Interest Paid on borrowings and charged by MFI

| Month | Finance Cost | Monthly Average Balance Outstanding of Borrowings | No of Days | % of Interest Paid on Borrowings |
|---|--------------|---|------------|----------------------------------|
| April | 1,293 | 3,72,284 | 30 | 4.22% |
| May | 2,745 | 3,57,620 | 31 | 9.04% |
| June | 3,832 | 3,50,433 | 30 | 13.30% |
| July | 2,898 | 3,41,901 | 31 | 9.98% |
| August | 2,825 | 3,24,188 | 31 | 10.26% |
| September | 3,022 | 3,06,853 | 30 | 11.98% |
| October | 2,858 | 2,93,375 | 31 | 11.47% |
| November | 2,308 | 2,81,835 | 30 | 9.96% |
| December | 2,852 | 2,98,125 | 31 | 11.26% |
| January | 2,793 | 3,14,045 | 31 | 10.47% |
| February | 2,680 | 3,00,994 | 28 | 11.61% |
| March | 4,633 | 2,97,450 | 31 | 18.34% |
| Average Rate of Interest Paid on Borrowings | | | | 10.99% |

Disclosure of Average Rate of Interest Charged by MFI

| Month | Interest Income | Monthly Average Balance Outstanding of MFI Loan Portfolio | No of Days | % of Interest Charged on MFI Loans |
|---|-----------------|---|------------|------------------------------------|
| April | 6,035 | 3,93,539 | 30 | 18.66% |
| May | 6,178 | 3,88,352 | 31 | 18.73% |
| June | 6,750 | 3,93,297 | 30 | 20.88% |
| July | 7,135 | 3,83,425 | 31 | 21.91% |
| August | 6,404 | 3,66,582 | 31 | 20.57% |
| September | 6,920 | 3,50,077 | 30 | 24.05% |
| October | 6,363 | 3,36,377 | 31 | 22.27% |
| November | 5,815 | 3,24,757 | 30 | 21.78% |
| December | 5,706 | 3,40,894 | 31 | 19.71% |
| January | 6,291 | 3,56,210 | 31 | 20.79% |
| February | 6,260 | 3,43,574 | 28 | 23.75% |
| March | 7,344 | 3,43,086 | 31 | 25.20% |
| Average Rate of Interest Charged on MFI Loans | | | | 21.53% |



RORS FINANCE PRIVATE LIMITED

Notes forming part of the financial statements

STATEMENT OF DEPRECIATION AS PER THE INCOME TAX ACT, 1961

| Particulars | WDV as on | | Additions | | Disposals | Total assets | Depreciation/ amortisation | WDV as on 31/03/2023 |
|--|--------------|--|------------|------------|-----------|--------------|-------------------------------|-------------------------|
| | 01/04/2022 | | > 180 Days | < 180 Days | | | | |
| | | | | | | | | |
| A. TANGIBLE ASSETS | | | | | | | | |
| Block - 10% Furniture and Fixtures | 230 | | 205 | 45 | - | 480 | 46 | 434 |
| Block - 40% Computer | 353 | | 146 | 28 | - | 527 | 205 | 322 |
| Block - 15% Plant & Machinery, vehicles | 4,608 | | - | - | - | 4,608 | 691 | 3,917 |
| Sub-Total | 5,192 | | 351 | 73 | - | 5,615 | 942 | 4,673 |
| B. INTANGIBLE ASSETS | | | | | | | | |
| Block - 25% Goodwill, Software and IPR | 1,094 | | - | - | - | 1,094 | 274 | 820 |
| Sub-Total | 1,094 | | - | - | - | 1,094 | 274 | 820 |
| TOTAL | 6,286 | | 351 | 73 | - | 6,710 | 1,216 | 5,494 |
| Previous Year | 4,944 | | 2,827 | 163 | 263 | 7,671 | 1,385 | 6,286 |



Calculation of Capital Adequacy Ratio as at March 31, 2023

| Particulars | Sub totals (₹ in '000) | Totals (₹ in '000) | Totals (₹ in '000) |
|--|-------------------------|--------------------|---|
| Tier I Capital | | | |
| Add: | | | |
| 1. Share capital | 46,604 | | |
| 2. Compulsorily Convertible preference shares | - | | |
| 3. Free reserves | 66,268 | | |
| 4. Share premium (balance in the account) | - | | |
| 5. Capital reserve (rep. sur+ of sale proceeds of asset) | - | 1,12,872 | |
| Less: | | | |
| 1. Accumulated loss in balance sheet | - | | |
| 2. Book value of intangible assets | 308 | | |
| 3. Deferred tax assets | 2,464 | 2,772 | |
| Net owned fund | | 1,10,100 | |
| Less: | | | |
| 1. Shares in other NBFCs | | - | |
| 2. Shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding 10% of owned fund. | | - | |
| Less: 50% of securitisation collateral | | - | |
| Tier I Capital | | 1,10,100 | |
| Tier II Capital | | | |
| Add: | | | |
| 1. Preference shares other than compulsorily convertible shares | - | | |
| 2. Revaluation reserve at discounted rate of 55% | - | | |
| 3. General provisions and loss reserves to the extent of (1&1/4)% of risk weighted assets. | 4,552 | | |
| 4. Hybrid debt and capital instruments | - | | |
| 5. Subordinated debt - Discounted Value | - | | |
| To the extent the discounting value does not exceeding 50% of Tier-I Capital | - | | |
| Less: 50% of securitisation collateral | - | | |
| | 4,552 | | |
| Limited to the extent of Tier I and II for the pupose of capital adequacy (the total tier II capital at any point of time shll not exceed 100% of tier I) | | 4,552 | |
| Tier II Capital | | 4,552 | |
| Total of Tier I & Tier II Capital | | | 1,14,652 |
| Asset particulars | Amount in ₹ '000 | % of weight | Risk adjusted amount (₹ in '000) |
| Cash and Bank balances | 488 | 0% | - |
| Bank Balances in earmarked accounts as collateral | 55,370 | 0% | - |
| Investments | - | 100% | - |
| Loans and advances | 3,48,157 | 100% | 3,48,157 |
| Tangible assets net of depreciation | 3,204 | 100% | 3,204 |
| Other assets | | | |
| a) TDS-income tax (net of provision) | - | 0% | - |
| b) Advance tax paid (net of provision) | - | 0% | - |
| c) Deferred tax assets* | 2,464 | 0% | - |
| d) Intangible Assets* | 308 | 0% | - |
| d) Others to be specified | 12,824 | 100% | 12,824 |
| Total risk weighted assets | 4,22,814 | | 3,64,185 |
| CRAR | | | 31.48% |

*As per RBI instructions, assets deducted to arrive at NOF have a risk weight of 0%.



| Qualifying Assets Ratio | | | | |
|-------------------------|--|---------------------|---------------------|--------|
| S. No. | Particulars | Amount in ₹ '000 | Amount in ₹ '000 | % |
| A. | Total Assets of the Company : | | | |
| 1 | Total Assets as per Balance Sheet | | 4,22,814 | |
| B. | Qualifying Assets : | | | |
| 1 | Trade receivables under Financing Activity | | | |
| | (i) Current | 3,03,480 | | |
| | (ii) Non-Current | 44,677 | | |
| 2 | Interest accrued on Trade receivables under Financing Activities | 1,744 | | |
| | Total Qualifying Assets (1+2) | | 3,49,902 | |
| C. | Qualifying Assets Ratio | | | 82.76% |



Amount in ₹ '000

I Ratios

| Particulars | Numerator | Amount | Denominator | Amount | Ratio |
|-------------------------------|----------------------|----------|---------------------|----------|--------|
| 1. Current Ratio | Current Asset | 3,69,495 | Current Liability | 1,71,152 | 2.16 |
| 2. Debt-Equity ratio | Total Debt | 3,00,417 | Shareholder's funds | 1,12,872 | 2.66 |
| 3. Return on Equity Ratio | Net Profit After Tax | 8,210 | Shareholder's funds | 1,12,872 | 7.27% |
| 4. Net profit ratio | Net Profit After Tax | 8,210 | Total Income | 88,021 | 9.33% |
| 5. Return on Investment | Net Profit After Tax | 8,210 | Shareholder's funds | 1,12,872 | 7.27% |
| 6. Return on Capital employed | EBIT(1-t) | 34,542 | Capital Employed | 3,79,434 | 40.08% |

II Trade receivable under financing activity

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|---|--|------------------|-----------|-----------|-------------------|----------|
| | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | 1,91,716 | 1,11,764 | 34,285 | 5,255 | 5,137 | 3,48,157 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |

III Share holding pattern

| Shares held by promoters at the end of the year | No. of Shares as on 31-03-2023 | No. of Shares as on 31-03-2022 | % Change during the year % of total shares |
|---|--------------------------------|--------------------------------|---|
| Class-A Equity Shares | | | |
| 1) Mr. P. Sathyanarayana Reddy | 252332 | 224032 | 12.63% |
| 2) Mrs. Revathi Reddy | 138386 | 131496 | 5.24% |
| Class-B Equity Shares | | | |
| 1) Mr. P. Sathyanarayana Reddy | 1,62,000 | 1,62,000 | 0.00% |
| 2) Mrs. Revathi Reddy | 75,500 | 75,500 | 0.00% |
| Total | | | |

IV Loans or advances from promoters, KMP, etc.

| Type of Borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
|------------------|--|--|
| Promoter | 7,150 | 2.38% |
| Related Parties | 4,500 | 1.50% |
| Total | 11,650 | 3,00,417 |





Statutory Auditor's certificate (SAC)

We have examined the books of accounts and other records of M/s. RORS FINANCE PRIVATE LIMITED (CIN: U17124KA1987PTC008797) for the financial year ending 31st March, 2023. On the basis of the information submitted to us, we certify the following:

| Sl. | Particulars | Details |
|-----|---|---|
| 1. | Name of the company | M/S RORS FINANCE PRIVATE LIMITED |
| 2. | Certificate of Registration No. | B-02.00146 |
| 3. | Registered Office address | No 65, Ramakrishna Extension, Srinivasapur KA 563135 IN |
| 4. | Corporate Office address | No 65, Ramakrishna Extension, Srinivasapur KA 563135 IN |
| 5. | The company has been classified by RBI as: (ICC / NBFC-MFI, NBFC – Factor / IFC / IDF – NBFC) | NBFC – MFI |
| 6. | Net Owned Fund (in Crores) | Rs.11.05 |
| 7. | Total assets (in Crores) | Rs.42.28 |
| 8. | Asset Income Pattern: (In terms of RBI Press Release 1998-99/1269 dated April 8, 1999) a) % Of Financial assets to Total assets b) % Of Financial income to Gross Income | 82.76% 93.17% |
| 9. | Whether the company was holding any public deposits, as on March 31, 2023 | No |
| 10. | Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? (in terms of Sec 45-IC of the RBI Act, 1934) | Yes |
| 11. | Has the company received any FDI? | No |
| 12. | If the company is classified as an NBFC – Factor; a) % Of Factoring assets to Total assets b) % Of Factoring income to Gross income | N/A N/A |
| 13. | If the company is classified as an NBFC – MFI: % Of Qualifying assets to Net assets | Yes 82.76% |



**C.N.JAYACHANDRAN & CO,
CHARTERED ACCOUNTANTS**

PARTNERS : C.N.Jayachandran B.Com., F.C.A.,
R.Maheshwari B.Com., F.C.A.,



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Catholic Centre,
64/108, Armenian Street
Chennai - 600 001
Phone : 044-25387204

| | | |
|-----|---|------------|
| 14. | If the company is classified as an AFC; a) % Of advances given for creation of physical / real assets supporting economic activity to Total assets. b) % Of income generated out of these assets to Total income | N/A N/A |
| 15. | If the company is classified as an NBFC – IFC; % of Infrastructure Loans to Total Assets | N/A |
| 16. | Has there been any takeover / acquisition of control / change in shareholding / Management during the year which required prior approval from RBI? | No |

In terms of Chapter II, paragraph 3 of Notification no. DNBS. PPD.03/66.15.001/2016-17 dated September 29, 2016, a separate report to the Board of Directors of the Company has been made.

For. CN JAYACHANDRAN & Co.,
Chartered Accountants
FRN.No: 001286S



R. Maheswari

(CA MAHESWARI R)
Partner
M.No.: 210225

Place: Srinivasapur
Date: 05.06.2023
UDIN: 23210225BGUQBV3848