



Capital Finserve Ltd.

CIN: U65921KL1994PLC008301

NOTICE OF THE 30TH ANNUAL GENERAL MEETING

Notice is hereby given that the **30th Annual General Meeting** of the members of **CAPITAL FINSERVE LIMITED** will be held on **Saturday, 28th September 2024, at Cloud 9 Hotels, Munnar-Airport Road, Thankalam, Kothamangalam, Kerala, 686691, India at 05:00 PM** to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as of 31st March 2024, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the report of Directors' and Auditors' thereon.
2. To appoint a director in place of Mr. Shajan Kuriakose (DIN - 08800728), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Vinayan Gopinathan Nair (DIN - 01327842), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mr. Kallookaren Ouseph Thobias (DIN - 03638149), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

5. Re-appointment of Mr. Babu Alias (DIN: 02923957) as Managing Director

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

"RESOLVED THAT pursuant to the provisions of Sections 196 and other applicable provisions, if any of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Babu Alias (DIN: 02923957) as Managing Director of the Company for a period of five years with effect from 25.03.2025 on such terms and conditions as may be agreed upon between him and the Board from time to time."

6. Appointment of Mr. Jyothikumar Balakrishna Pillai (DIN: 02403654) as Independent Director

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

Reg. Office : First Floor, Capital Plaza, Near Police Station, Aluva-Munnar Road,
Kothamangalam, Ernakulam, Kerala- 686691
Tel. : 0485-2860225, Email : capitalfinserveld@gmail.com, Website: www.capitalfinserve.com

“RESOLVED THAT pursuant to provision of Section 149,150,152 read with Schedule IV to the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Jyothikumar Balakrishna Pillai (DIN: 02403654) who was appointed as an Additional Director of the Company w.e.f 02nd January 2024 in terms of Section 161(1) of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting and who is eligible for appointment, be and hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years upto 27/09/2029.”

7. Approval of issue of Non-Convertible Debentures on Private Placement basis

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

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time (the Act), the Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time, the Companies (Share Capital and Debentures) Rules, 2014 as amended from time to time (the Rules), and subject to the provisions of relevant Reserve Bank of India (RBI) Directions, Rules and Regulations, and further subject to the provisions of any other applicable statutes, Regulations, if any, subject to the provisions of the Memorandum & Articles of Association of the Company and subject to such conditions, as may be prescribed by any of them while granting any such approval, consent, permission, exemption or sanction, the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) be and is hereby authorised on behalf of the Company to issue, offer and allot secured, unsecured, Non-Convertible Debentures (“the Debentures”) including subordinated Debentures qualifying as Tier-II debt in terms of the relevant RBI Regulations, during the period of Twelve months from the date of passing of this resolution, to the eligible investors, on a private placement basis, in one or more tranches, on such terms and conditions as the Board may deem fit which the Board may deem fit and appropriate, however at any given point of time the aggregate limit of funds raised/ to be raised by the Company, including issue of Debentures shall not exceed the overall borrowing limits of Rs. 72 Crores.”

“FURTHER RESOLVED THAT subject to and in accordance with the provisions of the Act, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary including delegation of powers extended unto the Board herein, and with further powers on behalf of the Company to settle questions, difficulties or doubts that may arise in this regard, without requiring the Board to secure any further consent or approval of the members of the Company.”

8. Appointment of Directors more than the stipulated number as per Companies Act, 2013

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

“RESOLVED THAT pursuant to Section 149(1)(b) of the Companies Act, 2013 and subject to Article 59 of the Articles of Association of the Company and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, consent of the members be and is hereby accorded for the appointment of further directors above the limit of 15 directors as specified in the Act up to Twenty (20).”

"RESOLVED FURTHER THAT any Director of the Company be and is hereby severally authorized to do all such acts, things and deeds as may be deemed necessary for giving effect to the above stated resolution."

9. Appointment of Mrs. Sunitha Shajan (DIN - 03638145) as Director of the Company

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

"RESOLVED THAT pursuant to Section 152 and all other applicable provisions of the Companies Act, 2013 and Rules framed there under, including any enactment, re-enactment or modifications thereof, Mrs. Sunitha Shajan (DIN - 03638145) be and is hereby appointed as the Director of the Company, whose office shall be liable to retire by rotation."

10. Appointment of Mr. Sunil Jaihind Salunkhe (DIN - 01831751) as Director of the Company

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

"RESOLVED THAT pursuant to Section 152 and all other applicable provisions of the Companies Act, 2013 and Rules framed there under, including any enactment, re-enactment or modifications thereof, Mr. Sunil Jaihind Salunkhe (DIN - 01831751) be and is hereby appointed as the Director of the Company, whose office shall be liable to retire by rotation."

For and on behalf of the Board of Directors of
CAPITAL FINSERVE LIMITED

Sd/-
Babu Alias
Managing Director
(DIN: 02923957,
Address: Puthusserikudiyil House,
Nellimattom P O, Kothamangalam,
Ernakulam, Kerala, India, 686693)

Place: Kothamangalam
Date: 06/09/2024

Notes:

- 1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company.**
2. The instrument appointing the proxy (A blank form of proxy is enclosed) should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged, at any time during the business hours of the company, provided not less than 3 days written notice is given to the company.
4. Members/proxies should bring the Attendance Slip sent herewith, duly filled in and signed and hand over the same at the entrance of the hall for attending the meeting.
5. Unclaimed/ Unpaid Dividend: In terms of Section 124 of the Act, the Central Government has established "Investor Education and Protection Fund" and any amount of dividend/ fixed deposit etc. remaining unclaimed/ unpaid for a period of seven years from the date it becomes due for payment shall be transferred to this fund. The Company does not have any amounts required to be transferred to the Investor Education and Protection Fund.
6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote.
7. Members are requested to notify immediately of any change in their address to the Registered Office of the Company.
8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address to receive all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.
9. In compliance with the MCA Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company.
10. Relevancy of question and the order of speakers will be decided by the Chairman. Members are requested to forward in writing to the Company any question on the Accounts, so as to reach the Registered Office one week before the date of the Annual General Meeting.
11. Route Map and prominent Landmark for Annual General Meeting Venue is enclosed with the Annual Report.

As per the requirement of Secretarial Standard 2, the following information relating to the directors to be appointed/re-appointed as contained in Items 2, 3, 4, 5, 6, 9 and 10 are furnished below:

Particulars	Information	Information	Information	Information	Information
Name	Shajan Kuriakose	Vinayan Gopinathan Nair	Kallookaren Ouseph Thobias	Sunitha Shajan	Sunil Jaihind Salunkhe
Age	60	52	59	57	47
Qualification & Experience	Doctorate in Engineering	SSLC	30 years of experience in business field	Degree and over 20 years in business field	Post graduate, experience in gem and jewelry industry for 25 years

Terms and conditions of appointment/reappointment	Liabe for retirement by rotation	Liabe for retirement by rotation	Liabe for retirement by rotation	Liabe for retirement by rotation	Liabe for retirement by rotation
Remuneration sought to be paid	NIL	NIL	NIL	NIL	NIL
Remuneration Last drawn	NIL	NIL	NIL	NIL	NIL
Date of first appointment on Board	13/08/2020	26/10/1994	11/09/2021	-	-
Shareholding in the company	NIL	554	784	784	784
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NIL	NIL	NIL	NIL	NIL
Number of Meetings of the Board attended during the year 2023-24	14	13	12	NIL	NIL
Other Directorships, Membership/ Chairmanship of Committees of other Boards	NIL	NIL	1.GOLDTREE BULLION INDIA PRIVATE LIMITED 2.MY EARTHFUL HOSPITALITY PRIVATE LIMITED 3.ANGELGOLD PRIVATE LIMITED 4.EVERYDAY BAKES INDIA PRIVATE LIMITED	1. GOLDTREE BULLION INDIA PRIVATE LIMITED	1. EMMA TRADING HOUSE INDIA PRIVATE LIMITED 2. SJS GOLD PRIVATE LIMITED 3. GOLDTREE BULLION INDIA PRIVATE LIMITED

Particulars	Information	Information
Name	Babu Alias	Jyothikumar Balakrishna Pillai
Age	61	62
Qualification & Experience	Over 30 years of experience in business field	Over 5 years of experience in NBFC sector and also was the director in many other Companies
Terms and conditions of appointment/reappointment	Reappointed for a term of 5 years	Appointed for a term of 5 years
Remuneration sought to be paid	NIL	NIL
Remuneration Last drawn	NIL	NIL
Date of first appointment on Board	05/03/2014	02/01/2024
Shareholding in the company	786	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NIL	NIL

Number of Meetings of the Board attended during the year 2023-24	14	1
Other Directorships, Membership/ Chairmanship of Committees of other Boards	1. GOLDTREE BULLION INDIA PRIVATE LIMITED 2. MY EARTHFUL HOSPITALITY PRIVATE LIMITED 3. CFL NIDHI LIMITED	NIL

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013:

Item No. 5: Re-appointment of Mr. Babu Alias (DIN: 02923957) as Managing Director

The office of Mr. Babu Alias, Managing Directors of the Company would cease on 24th March 2025 and hence it was proposed by the Board to approve the re-appointment of Mr. Babu Alias as Managing Director for a period of 5 years up to 24.03.2030.

The appointment/re-appointment of Managing Director shall be subject to approval by a resolution at the Annual General Meeting of the Company.

Hence this resolution is proposed.

None of the directors except Mr. Babu Alias, key managerial personnel or managers of the Company or their relatives are concerned or interested in this resolution except to the extent of their shareholding in the Company.

Documents/Papers relating to the above resolution may be perused on any working day during working hours up to the date and time for commencement of the General Meeting.

Item No. 6: Appointment of Mr. Jyothikumar Balakrishna Pillai (DIN: 02403654) as Independent Director

Mr. Jyothikumar Balakrishna Pillai (DIN: 02403654) was appointed as an Additional Independent Director with effect from 2nd January 2024, in accordance with the provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office up to the date of ensuring Annual General Meeting of the Company. The Board is of the view that the appointment of Mr. Jyothikumar Balakrishna Pillai on the Company Board is desirable and would be beneficial to the Company and hence it recommends the said resolution No. 6 for approval by the members of the Company by way of special resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Mr. Jyothikumar Balakrishnan Pillai himself, in any way concerned or interested, in the said resolution.

Documents/Papers relating to the above resolution may be perused on any working day during working hours up to the date and time for commencement of the General Meeting.

Item No. 7: Approval of issue of Non-Convertible Debentures on Private Placement basis

Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("Prospectus and Allotment Rules") deals with private placement of securities by a Company. Rule 14(1) of the Prospectus and Allotment Rules prescribes that in case of an offer or invitation to subscribe to securities, the Company shall obtain previous approval of its shareholders/members ("Members") by means of a special resolution.

Rule 14(1) of the Prospectus and Allotment Rules further prescribes that in case of the issue of non-convertible debentures ("NCDs") exceeding the limits prescribed therein, it shall be sufficient to obtain such previous approval only once in a year for all the offers or invitations for such NCDs issued during a period of 1 (one) year from the date of passing of the special resolution.

In order to meet the fund requirements, the Company proposes to continue to issue and allot, from time to time, secured Non-Convertible Debentures (NCDs) on a Private Placement Basis, in one or more tranches, to the eligible investors in accordance with the provisions of Sections 42 and 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 ("Rules").

The disclosures as required under Section 42 of the Companies Act, 2013 as amended from time to time (the Act) and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time (the Rules) are as under:

- Particulars of offer:

The Board shall determine specific terms and conditions of the offer at the time of issuance of respective series/ tranche of NCDs.

- Kind of Securities offered and the price at which security is being offered:
Secured unlisted Non-Convertible Debentures. Issue Price of Non-Convertible Debentures (NCDs) shall be determined at the time of issue of respective series/ tranche of NCDs and each tranche may be issued at par or premium or discount depending upon the market scenario and various other factors impacting the price of non-convertible debentures in general. The Directors recommend the resolution at item no. 7 of the accompanying Notice, for the approval of the Members by way of Special resolution.
- Basis or justification for the price (including premium, if any) at which the offer or invitation is being made: Not Applicable.
- Name and address of valuer who performed valuation: Not Applicable
- Amount which the company intends to raise by way of such securities: 15 Crores
- Material terms of raising such securities, proposed time schedule, purpose or objects of offer, contribution being made by the promoters or Director either as part of offer or separately in furtherance of objects; principal terms of assets charged as securities:
The Board to exercise its powers including the powers conferred by this Resolution shall determine the terms and conditions of the offer at the time of issuance of respective series/tranche of NCDs. The Special Resolution set out herein shall remain in force for the period of one year from the date of passing of the same.

None of the Directors, Key Managerial personnel of the Company and/or any of their relatives have any particular interest or concern in this item of business except to the extent of the securities, if any, which are/may be held/subscribed by them.

Documents/Papers relating to the above resolution may be perused on any working day during working hours up to the date and time for commencement of the General Meeting.

Item No. 8: Appointment of Directors more than the stipulated number as per Companies Act, 2013

The Company in its Annual General Meeting held on 22nd May, 2017 amended the Article 59 of the Articles of Association of the Company as follows:

The number of directors shall not be less than three and shall not be more than Twenty.

The Company in its Board Meeting held on 06th September 2024, considered the matter of inducting more Directors but within the limit of the provisions of the Articles of Association.

As per Section 149 of the Companies Act 2013, to increase the number of Directors of the Company, the special resolution is required. Therefore, this resolution is placed before the meeting for its approval.

None of the Directors other than Mr. Shajan Kuriakose, Key Managerial personnel of the Company and/or any of their relatives have any particular interest or concern in this item of business except to the extent of the securities, if any, which are/may be held/subscribed by them.

Documents/Papers relating to the above resolution may be perused on any working day during working hours up to the date and time for commencement of the General Meeting.

Item No. 9: Appointment of Mrs. Sunitha Shajan (DIN - 03638145) as Director of the Company

The Company has received a notice from Mrs. Sunitha Sajan signifying her candidature as director of the Company pursuant to Section 160 of the Companies Act, 2013. Considering her experience and ability and benefit which the Company will derive from the association with her, the nomination and remuneration committee recommended her appointment as director of the Company. Hence this resolution is proposed.

None of the directors except Mr. Shajan Kuriakose, key managerial personnel or managers of the Company or their relatives are concerned or interested in this resolution except to the extent of their shareholding in the Company.

Documents/Papers relating to the above resolution may be perused on any working day during working hours up to the date and time for commencement of the Annual General Meeting.

Item No. 10: Appointment of Mr. Sunil Jaihind Salunkhe (DIN - 01831751) as Director of the Company

The Company has received a notice from Mr. Sunil Jaihind Salunkhe signifying his candidature as director of the Company pursuant to Section 160 of the Companies Act, 2013. Considering his experience and ability and benefit which the Company will derive from the association with his, the nomination and remuneration committee recommended his appointment as director of the Company. Hence this resolution is proposed.

None of the directors, key managerial personnel or managers of the Company or their relatives are concerned or interested in this resolution except to the extent of their shareholding in the Company.

Documents/Papers relating to the above resolution may be perused on any working day during working hours up to the date and time for commencement of the Annual General Meeting.

For and on behalf of the Board of Directors of
CAPITAL FINSERVE LIMITED

Sd/-
Babu Alias
Managing Director
(DIN: 02923957,

Address: Puthusserikudiyil House,
Nellimattom P O, Kothamangalam,
Ernakulam, Kerala, India, 686693)

Place: Kothamangalam
Date: 06/09/2024

SAFE WITH CAPITAL



SAFE WITH CAPITAL

Capital Finserve Ltd.

CIN: U65921KL1994PLC008301

DIRECTORS' REPORT

To The Members

Your directors are pleased to present the 30th Annual Report on the business and operations of your Company together with the Audited Financial Statements and Auditor's Report for the year ended 31st March 2024.

1. FINANCIAL RESULTS

(In Lakhs)

Financial Highlights	For the Year Ending 31st March 2024	For the Year Ending 31st March 2023
Total Income	895.52	669.31
Total Expenditure (including Depreciation)	951.92	658.47
Profit/(Loss) before Tax	(56.39)	10.84
Tax (Including deferred tax)	14.18	(3.37)
Profit/(Loss) after tax	(42.21)	7.46
Surplus / (Deficit) carried to Balance Sheet	(42.21)	7.46
Basic and Diluted Earnings Per Share of Rs.10,000 each	(209.53)	37.06

2. COMPANY OVERVIEW – STATE OF COMPANY AFFAIRS

The company was floated in the year 1994, in the name Associated Hire Purchase & Credits Ltd. Later, on 05th Feb 2016, the company changed its name to Capital Finserve Ltd and since then its activities were financing against gold, business loans & personal loans. The company raised the resources through NCDs, Sub debts & Directors' deposits in addition to the capital of the Company.

The company has a total of 32 branches, 23 in Kerala & 9 branches in Tamil Nadu. The company intends to open more branches in other states like Karnataka, Telangana & Andhra Pradesh in the near future. The asset under management as on 31.03.2024 amounts to Rs. 5,454.36 Lakhs as compared to Rs.4,568.63 Lakhs on 31.03.2023. The Company has not transferred amount to the Statutory reserve during the Financial Year 2023-24 due to the loss incurred.

3. PERFORMANCE AND OPERATIONAL REVIEW

During the financial year 2023-24, the Company has earned an income of Rs. 895.52 Lakhs and incurred expenses of Rs. 951.92 Lakhs compared to the previous year's income of Rs. 669.31 Lakhs and expenses of Rs. 658.47 Lakhs. In short, the income for the year has been decreased at the same time the expenditure for the Company has been increased, which affected the Companies' statement of profit and loss account and it ended with a loss of (Rs.56.39) Lakhs in the Financial Year 2023-24 compared to the previous year profit of Rs.10.84 Lakhs The Board of Directors of the Company is taking constant steps to make the Company profit.

Reg. Office : First Floor, Capital Plaza, Near Police Station, Aluva-Munnar Road,
Kothamangalam, Ernakulam, Kerala- 686691

Tel.: 0485-2860225, Email: capitalfinserveld@gmail.com, Website: www.capitalfinserve.com

4. PRUDENTIAL NORMS

The Company has complied with prudential norms relating to income recognition, accounting standards, assets classification, provision for bad and doubtful debts as applicable to it in terms of Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions,2016.

5. DIVIDEND

Your directors have not recommended any dividend for the financial year ended 31st March 2024.

6. CHANGE IN NATURE OF BUSINESS

During the financial year 2023-24, there was no change in the nature of the business of the Company.

7. CHANGES IN SHARE CAPITAL DURING THE FINANCIAL YEAR

As on 31st March 2024, the Authorised share capital of the Company is Rs. 21,00,00,000/- (Rupees Twenty-One Crores Only) divided into 21,000 equity shares of Rs. 10,000/- each. The total issued, subscribed and paid-up share capital of the Company as on 31st March 2024 is Rs. 20,14,70,000/- (Rupees Twenty Crore Fourteen Lakhs Seventy Thousand Only) divided into 20,147 equity shares of Rs. 10,000/- each. During the Financial Year 2023-24, there was no change in the share capital of the Company.

8. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and events which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report other than allotment of 137 debentures of Rs. 1,00,000/- each on 31.05.2024 and 28.06.2024(Debenture T Series) respectively.

9. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any equity shares with differential rights during the financial year.

10. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

The Company has not issued any employee stock options during the financial year.

11. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company has not issued any sweat equity shares during the financial year.

12. DIRECTORS

The Board of Directors of the Company is duly constituted and the composition as on the 31.03.2024 is as follows:

Sl. No	Name	Designation	Date of Appointment	DIN	Category- Independent / Non-Independent	Executive/ non-executive
1.	BABU ALIAS	Managing Director	05/03/2014	02923957	Non-Independent	Executive

2.	VINAYAN GOPINATHAN NAIR	Director	26/10/1994	01327842	Non-Independent	Non-Executive
3.	SHIBU KURIAKOSE	Director	21/10/2013	01659358	Non-Independent	Non-Executive
4.	RAJU JACOB	Director	21/10/2013	01737883	Non-Independent	Non-Executive
5.	SAJI KOCHUKUDIYIL MATHEW	Director	16/07/2013	02921367	Non-Independent	Non-Executive
6.	PAULOSEKUTTY JACOB	Director	16/07/2013	02921370	Non-Independent	Non-Executive
7.	BINU ANACHIRA KURUVILLA	Director	16/07/2013	03638140	Non-Independent	Non-Executive
8.	SABU CHERIYAN	Director	27/06/2015	05223834	Independent	Non-Executive
9.	JYOTHIKUMAR BALAKRISHNA PILLAI	Additional Director	02/01/2024	07211594	Independent	Non-Executive
10.	THOMBRAYIL UTHUP KURUVILLA	Director	06/02/2017	01667684	Non-Independent	Non-Executive
11.	BASIL ABRAHAM	Director	22/06/2018	03380009	Non-Independent	Non-Executive
12.	PONTHEKKANANTONY RAPHY	Director	13/08/2020	01896717	Non-Independent	Non-Executive
13.	SHAJAN KURIAKOSE	Director	13/08/2020	08800728	Non-Independent	Non-Executive
14.	KALLOOKAREN OUSEPH THOBIAS	Director	11/09/2021	03638149	Non-Independent	Non-Executive
15.	MUTTAVENTCHERY MATHAI JOSEPH	Director	06/11/2021	09314963	Non-Independent	Non-Executive

Mr. Shajan Kuriakose, Mr. Vinayan Gopinathan Nair and Mr. K.O.Thobias are liable to retire from the office by rotation in the ensuing Annual General Meeting and being eligible they offer themselves for re-appointment.

Mr. Jyothikumar Balakrishna Pillai was appointed as Additional Director (Independent Director) of the Company on 02/01/2024 and he will hold office until the date of the ensuing Annual General Meeting. Necessary resolution is put forward in the Notice for his appointment. Mathew Varghese, Independent Director resigned with effect from 06.10.2023.

With regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year, the Company is satisfied.

13. KEY MANAGERIAL PERSONNEL

Following is the Key Managerial Personnel of the Company as on 31st March 2024 as required under Section 203 of the Companies Act, 2013 and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:

Sl. No.	Name	Designation	Date of Appointment	DIN/PAN
1	Babu Alias	Managing Director	05/03/2014	02923957
2	Deepa Dominic	CS	23/12/2023	DLFPD1691M

14. THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE CEASED DURING THE YEAR

Ms. Fathima Kareem (Membership Number: A50602) resigned as Company Secretary with effect from 03rd June 2023 and Ms. Deepa Dominic was appointed as the Company Secretary with effect from 23rd December 2023. Mr. Mathew Varghese resigned from the position as Independent Director with effect from 06th October 2023. Mr. Jyothikumar Balakrishna Pillai was

appointed as the Independent Director with effect from 02nd January 2024. Mr. Binoychandran Balachandran (PAN: BCVPB3158G), Chief Financial Officer had provided his resignation with effect from 30/11/2023.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association, Mr. Shibu Kuriakose, Mr. Raju Jacob and Mr. Rapheal Ponthekkan Antony were re-appointed in the Annual General Meeting held on 29/09/2023 who were liable for retirement by rotation.

15. NUMBER OF BOARD MEETINGS HELD AND THE DATE ON WHICH HELD

The Board met 14 times during the financial year on 03/04/2023, 10/06/2023, 31/07/2023, 22/08/2023, 01/09/2023, 05/09/2023, 21/09/2023, 16/10/2023, 20/10/2023, 23/12/2023, 02/01/2024, 12/02/2024, 15/02/2024 and 11/03/2024.

The maximum time gap between any two meetings was not more than one hundred and twenty days.

16. ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS

Name of Director	No. of meetings entitled to attend	No. of meetings attended
BABU ALIAS	14	14
VINAYAN GOPINATHAN NAIR	14	13
SHIBU KURIAKOSE	14	14
RAJU JACOB	14	5
SAJI KOCHUKUDIYIL MATHEW	14	14
PAULOSEKUTTY JACOB	14	14
BINU ANACHIRA KURUVILLA	14	14
SABU CHERIYAN	14	3
MATHEW VARGHESE	8	1
THOMBRAYIL UTHUP KURUVILLA	14	13
BASIL ABRAHAM	14	14
PONTHEKKANANTONY RAPHY	14	3
SHAJAN KURIAKOSE	14	14
KALLOOKAREN OUSEPH THOBIAS	14	12
MUTTAVENCHERY MATHAI JOSEPH	14	6
JYOTHIKUMAR BALAKRISHNA PILLAI	3	1

17. INDEPENDENT DIRECTORS & STATEMENT OF DECLARATION

Among the Directors in the Board of the Company, Mr. Sabu Cheriyan and Mr. Jyothikumar Balakrishna Pillai were Independent Directors. All the Independent Directors have given declarations that they meet the criteria of independence laid down under Section 149 of the Companies Act, 2013. The independent directors meeting was held on 15th February 2024.

18. WOMEN DIRECTOR

The Company is not covered under rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and hence it is not mandatory to appoint women director in the Board.

19. NOMINATION AND REMUNERATION COMMITTEE & POLICY

The Nomination and Remuneration Committee has been constituted to identify and recommend the persons to become Directors of the Company and Senior Management personnel. Composition and attendance of each member as on 31.03.2024 at the Committee meeting held during the financial year is as follows:

Sl. No.	Name of Member	Status	Number of meetings entitled to attend	No. of Meetings Attended
1	Binu A Kuruvilla	Member	2	2
2	Sabu Cherian	Chairman	2	-
3	Shajan Kuriakose*	Member	2	2
4	Jyothikumar Balakrishna Pillai**	Member	-	-
5	Raju Jacob	Member	2	2
6	Mathew Varghese*	Member	-	-

*Reconstituted on 20.10.2023 on account of Resignation of Mr. Mathew Varghese by the following members:

1. Mr. Sabu Cherian
2. Mr. Raju Jacob
3. Mr. Shajan Kuriakose
4. Mr. Binu A Kuruvilla

** Reconstituted on 02.01.2024 on account of appointment of Mr. Jyothikumar Balakrishna Pillai by the following members:

1. Mr. Sabu Cherian
2. Mr. Binu A Kuruvilla
3. Mr. Jyothikumar Balakrishna Pillai
4. Mr. Shajan Kuriakose

The NRC meetings were held on 23.12.2023 and 02.01.2024.

Pursuant to the provisions of the Companies Act, 2013, a Policy on Appointment & Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees has been formulated; including criteria for determining qualifications, positive attributes, independence of a Director and other matters as required under the said Act. The remuneration policy is in consonance with the existing industry practice and also with the provisions of the Companies Act.

The detailed Nomination and Remuneration Policy of the Company is placed on the website of the Company <https://www.capitalfinserve.com/>.

20. DETAILS OF THE REMUNERATION PAID TO EXECUTIVE DIRECTORS FOR THE YEAR

No Remuneration was paid to Executive Directors.

21. REMUNERATION PAID TO NON-EXECUTIVE DIRECTORS

No Remuneration was paid to Non-Executive Directors except to Mr. Shajan Kuriakose amounting to Rs. 1,75,000.

22. PARTICULARS OF EMPLOYEES

The provisions as envisaged under Section 197 (12) read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to your Company. Hence the disclosure with reference to the particulars of employees is not attached to this report.

23. AUDIT COMMITTEE

The Audit Committee shall oversee financial reporting process and disclosures, review annual financial statements, management discussion and analysis of financial condition and results of operation, review adequacy of internal audit function, management letters/ letters of internal control weakness issued by the statutory auditors, internal audit report relating to internal control weakness, related party transactions, review financial and risk management policies, to look into the reasons for substantial defaults in the payment to depositors, debenture / shareholders and creditors, oversee compliance with legal requirements concerning financial statements, review auditors qualifications, compliance with Accounting Standards, recommending the appointment and renewal of external Auditors / Chief internal auditor, fixation of audit fee and also approval for payment for any other services, etc.

Composition and attendance of each member at the Committee meeting held during the financial year is as follows:

Sl. No.	Name of Member	Status	Date of Meeting	No. of Meetings Attended
1	Sabu Cheriyan	Chairman	01.09.2023 and 11.03.2024	1
2	Shajan Kuriakose	Member		1
3	Paulosekutty Jacob	Member		2
4	Jyothikumar Balakrishna Pillai**	Member		-
5	Mathew Varghese*	Member		1

* The Committee was reconstituted on 20.10.2023 on account of resignation of Mr. Mathew Varghese on 06.10.2023 by the following members:

1. Mr. Sabu Cherian
2. Mr. Paulosekutty Jacob
3. Mr. Shajan Kuriakose

**The Committee was reconstituted on 02.01.2024 on account of the appointment of Mr. Jyothikumar Balakrishna Pillai as Independent Director on 02.01.2024 by the following members:

1. Mr. Sabu Cherian
2. Mr. Paulosekutty Jacob
3. Mr. Shajan Kuriakose
4. Mr. Jyothikumar Balakrishna Pillai

The Audit Committee is formed as per the provisions of Section 177 of the Companies Act, 2013.

24. VIGIL MECHANISM

The Company is not covered under Section 177 (9) of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and hence not required to establish Vigil Mechanism.

25. STATUTORY AUDITOR

M/s. Biju George & Co., Chartered Accountants (Registration No. 007920S) was appointed as Statutory Auditors for a term of five years to hold office from conclusion of the 28th Annual General Meeting till the conclusion of the 33rd Annual General Meeting of the Company.

26. AUDITORS REPORT

The Auditors have not been made any qualifications, reservation or adverse remarks in the auditor's report during the year under review. Further the Report of the Auditors and notes to accounts are self-explanatory and therefore do not call for any further comments.

27. MAINTENANCE OF COST RECORDS AND COST AUDITORS

Maintenance of cost records as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 is not applicable to your Company and hence the Company is not required to appoint Cost Auditor under section 148 of the Companies Act, 2013.

28. SECRETARIAL AUDIT REPORT

The Company is not covered under section 204 of the Companies Act, 2013 and hence not required to annex Secretarial Audit Report.

29. DEPOSITS AND DEBENTURES

The Company is a Non-Systemically Important Non-Deposit Taking NBFC and has not accepted any public deposits during the year under review and shall not accept any deposits from the public without obtaining prior approval of the Reserve Bank of India (RBI).

In terms of the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 as amended, the Company has not invited or accepted any deposits from the public and as such no amount of principal or interest was outstanding as on the date of the Balance Sheet. The Company has made all compliances in terms of Non-Banking Financial Companies (NBFC's) directions. As the Company has no public deposit, the provisions of Master Direction- Non-Banking Financial Companies Acceptance of public Deposits (Reserve Bank) Direction 2016 and the requirement of having the minimum credit rating in terms of provision to paragraph 8 of NBFC Public Deposit Directions (RB) are not applicable to the Company. Further there were no deposits which were not in Compliance with the requirements of Chapter V of the Companies Act, 2013.

The Company has allotted 878 debentures of Rs. 1,00,000/- (Rupees One Lakh Only) each during the Financial Year 2023-24 and had redeemed debentures of Rs. 5,42,00,000/- during the year. The Company has issued subordinated debt during the year and the total subordinated debt outstanding as on 31.03.2024 is 3,59,20,000/-.

30. UNSECURED LOANS FROM DIRECTORS

As on 31.03.2024 the Company has an outstanding loan of Rs. 351.46 Lakhs from its directors and obtained a declaration from them that the amount lend by them was not the fund acquired by borrowing or accepting loan or deposit from others. The details of loans from each director as on 31st March 2024 are as follows:

Sl. No.	Name of the Directors	Amount (in Rs.)
1.	Babu Alias	Rs. 61.46 Lakhs
2.	Vinayan Gopinathan Nair	Rs.50 Lakhs
3.	Binu A Kuruvila	Rs. 15 Lakhs
4.	Saji K Mathew	Rs. 25 Lakhs
5.	Shajan Kuriakose	Rs. 25 Lakhs

6.	Paulosekutty Jacob	Rs.25 Lakhs
7.	T.U.Kuruvila	Rs. 125 Lakhs

31. LOANS, GUARANTEES AND INVESTMENTS

The Company, being a non-banking finance Company registered with the RBI and engaged in the business of giving loans, is exempt from complying with the provisions of section 186 of the Companies Act, 2013 in respect of loans and guarantees. Detailed particulars of loans and guarantee are given in the Notes to the Financial Statements.

32. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

The Company has no subsidiary or Joint Venture or Associate Companies.

33. RELATED PARTY TRANSACTIONS

The Company has entered into Contracts or Arrangements with related parties within the meaning of Section 188 of the Companies Act, 2013 and the details with respect to the same are mentioned in the Annexure II.

34. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered under Section 135 of the Companies Act, 2013 and hence not required to constitute Corporate Social Responsibility Committee.

35. ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and 92(3) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014, as amended, the Annual Return of the Company is available on the website of the Company and can be accessed through the following link <https://www.capitalfinserve.com/>.

36. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is committed in providing and promoting a safe and healthy work environment for all its employees especially for women employees. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and during the period under review no complaints were received or disposed off as envisaged under the said act.

37. FRAUD REPORTING

During the period under review no frauds have occurred in the Company and no frauds were reported by the Auditors of the Company.

38. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

No order has been passed by the Regulators/Courts/Tribunal which impacts the going concern status or Company's operations.

Further, during the year under review, as per available information, no application against the Company was filed under the Insolvency and Bankruptcy Code, 2016 nor any proceedings thereunder is pending as on March 31, 2024.

39. VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT

There was no voluntary revision of Financial Statements or Board's Report in respect of preceding three financial years.

40. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

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

41. FORMAL ANNUAL EVALUATION

The Company is not covered under section 134 (3) (p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014 and hence the statement regarding manner adopted for formal annual evaluation is not mandatory.

42. RISK MANAGEMENT POLICY AND IMPLEMENTATION

The Companies risk management framework is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continues monitoring. The policies and procedures established for this purpose are continuously reviewed. The business activities are undertaken within this framework.

The framework reviews the level and direction of major risk pertaining to credit, market, liquidity, operational, compliance and management. At present, the Company has not identified any element of risk which may threaten the existence of the Company.

The Company have a Risk Management Policy in place.

Risk Management Committee was constituted by the Board of Directors on 23rd December 2023 as per issued Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 (RBI/DoR/2023-24/106 DoR.FIN.REC. No.45/03.10.119/2023-24 dated October 19, 2023) and the following were the members of the Committee.

1. Mr. Babu Alias (Chairman)
2. Mr. Shajan Kuriakose and
3. Mr. Saji K Mathew

The meeting was held on 11th March 2024 and all the members were present during the meeting.

43. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Your Company has taken adequate measures for conservation of energy and also very much keen on environment and safety matters and has taken adequate measures to control pollution and ensure safety etc. In view of the operations carried out by the Company, information regarding various steps taken on conservation of energy or utilization of alternate sources of energy and information regarding the impact of the same is not applicable. The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the

Companies (Accounts) Rules, 2014 is set out as **Annexure I** attached hereto and forms part of this report.

44. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance to the provisions of Section 134 (5) of the Companies Act, 2013 your Directors wish to confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis; and
- (v) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

45. SECRETARIAL STANDARDS

Your directors wish to confirm that the applicable secretarial standards had been complied by the Company.

46. DISCLOSURE UNDER RULE 8 (5) (XII) OF COMPANIES (ACCOUNTS) RULES REGARDING DIFFERENCE BETWEEN AMOUNT OF THE VALUATION

During the year no valuation was taken with regard to one time settlement of loan. So, disclosure under rule 8 (5)(XII) of Companies (Accounts) Rules, 2014 regarding difference between the amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons is not applicable.

47. BRANCHES OPENED

Company has opened Branches during the financial year 2023-24. The details of Branches opened during the year and the details of Branches opened till date of this report after 31.03.2024 are as follows:

Sl.No	Branch Name	Opening date
1	Illuppur	01-05-2023
2	Karambakkudi	01-05-2023
3	Thirumangalam	02-05-2023
4	North Paravoor	26-05-2023
5	Thripunithura	29-06-2023
6	Pezhakkappilly	05-08-2023
7	Pattimattom	06-09-2023
8	Srivilliputhur	18-09-2023
9	Sholavandan	26-02-2024
10	vandiperiyar	04.04.2024
11	Usilampatti	01.05.2024

48. APPRECIATION

We take this opportunity to thank all employees for their contribution to the growth and success of your Company. We would also like to thank bankers, stakeholders and business associates for their extended support during the year. Also would like to place on record their gratitude for the guidance and cooperation extended by Reserve Bank of India and other regulatory authorities.

For and on behalf of the Board of
CAPITAL FINSERVE LIMITED

Sd/-
BABU ALIAS
Managing Director
DIN: 02923957
**(Address: Puthusserikudiyil House, Nellimattom P O,
Kothamangalam, Ernakulam, Kerala, India, 686693)**

Sd/-
SHAJAN KURIAKOSE
Director and CFO
DIN: 08800728
**(Address: Parackal House,
Kothamangalam PO,
Kothamangalam-686691)**

Place: Kothamangalam
Date: 06.09.2024

SAFE WITH CAPITAL

Annexure I

Information pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 and forming part of Directors Report for the year.

(A) CONSERVATION OF ENERGY:

The steps taken or impact on conservation of energy	NIL
The steps taken by the company for utilizing alternate sources of energy	NIL
The capital investment on energy conservation equipments	NIL

(B) TECHNOLOGY ABSORPTION:

Technology absorption, adaptation and innovation

Efforts, in brief, made towards technology absorption, adaptation and innovation	NIL
Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc	NIL
In case of imported technology following information may be furnished: a. Technology imported b. Year of import c. Has technology been fully absorbed? d. If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.	NIL

Research and development (R & D):

Specific areas in which R & D carried out by the company	NIL
Benefits derived as a result of the above R&D	NIL
Future plan of action	NIL
Expenditure on R & D: a. Capital b. Recurring c. Total d. Total R & D expenditure as a percentage of total turnover	NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Activities relating to exports; b. Initiatives taken to increase exports; c. Development of new export markets for products and services; d. Export plans;	NIL
a. Total foreign exchange outgo	NIL
b. Total foreign exchange earned	NIL

For and on behalf of the Board of
CAPITAL FINSERVE LIMITED

Sd/-
BABU ALIAS
Managing Director
DIN: 02923957
(Address: Puthusserikudiyil House, Nellimattom P O,
Kothamangalam, Ernakulam, Kerala, India, 686693)

Sd/-
SHAJAN KURIAKOSE
Director and CFO
DIN: 08800728
(Address: Parackal House,
Kothamangalam PO,
Kothamangalam-686691)

Place: Kothamangalam
Date: 06/09/2024

SAFE WITH CAPITAL

FORM NO. AOC.2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Mr. Shajan Kuriakose Director of the Company
(b)	Nature of contracts/arrangements/transactions	Payment of Remuneration to Non-Executive Director
(c)	Duration of the contracts/arrangements/transactions	NIL
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 1,75,000
(e)	Date(s) of approval by the Board, if any:	03.04.2023
(f)	Amount paid as advances, if any:	NIL

For and on behalf of the Board of
CAPITAL FINSERVE LIMITED

Sd/-

Sd/-
BABU ALIAS
Managing Director
DIN: 02923957
(Address: Puthusserikudiyil House, Nellimattom P O,
Kothamangalam, Ernakulam, Kerala, India, 686693)

SHAJAN KURIAKOSE
Director and CFO
DIN: 08800728
(Address: Parackal House,
Kothamangalam PO,
Kothamangalam-686691)

Place: Kothamangalam
Date: 06/09/2024

INDEPENDENT AUDITOR'S REPORT

To,
**The Members of
Capital Finserve Limited, Kothamangalam**

Report on the Audit of the Financial Statements.

Opinion

We have audited the accompanying financial statements of **Capital Finserve Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, the 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 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, 2024, its Loss and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the 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 Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI' Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements .

Key Audit matters

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

Reporting of key audit matters as per SA 701 are not applicable to the Company as it is an unlisted Company.

Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the preparation and presentation of other information. The other information comprises the information included in the Company's Annual Report, but does not include the Financial Statements and our auditors' report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in during the course of audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is 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.

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

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

Materiality is the magnitude of misstatement in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 2016, issued by the Reserve Bank of India, in exercise of the powers conferred by sub-section (1A) of Section 45MA of the Reserve Bank of India Act, 1934, we give in the "Annexure 1", an additional Audit Report addressed to the Board of Directors containing our statements on the matters specified therein.

2. As required by the Companies (Auditor's Report) Order, 2020 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 2, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

3. As required by section 143(3) of the Act, We report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account
- d. In our opinion the aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, In our opinion and to the best of our information and according to the explanations given to us , the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act
- g. With respect to the adequacy of the internal financial controls over financial reporting with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 3".
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the information and explanations given to us:

- i) The Company does not have any pending litigations which would impact its financial position in its financial statements
- ii) The Company does not have any long-term contracts including derivative contracts requiring a provision for material foreseeable losses.
- iii) The Company does not have any amounts required to be transferred to the Investor Education and Protection Fund.
- iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contain any material misstatement.

- v) The company has neither declared nor paid any dividend during the year.
- vi) Based on our examination, which included test checks, performed by us on the Company have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit we have not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Biju George & Company
Chartered Accountants
Firm Registration Number 007920S

Place: Thodupuzha
Dated: 06/09/2024

Sd/-
Biju George BSc, FCA, DISA(ICA)
Proprietor
Membership No. 206233
UDIN: **24206233BKBZHT5857**

Annexure 1 to the Auditor's Report

To,

The Board of Directors
Capital Finserve Limited
Kothamangalam

As required by the Master Direction-Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 Issued by Reserve bank of India Vide notification Number DNBS.PPD.03/66.15.001/2016-17 dated 29th September 2016 and as amended from time to time and based on our audit, We give hereunder a statement on the matters specified in paragraph 3 & 4 of the said directions:-

1. The company is engaged in the business of Non-Banking Financial Institution and it has obtained the certificate of registration as provided in Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934).
2. The Company is entitled to continue to hold the certificate of registration in terms of asset/Income pattern as on March 31, 2024
3. The Company has met the required Net Owned Fund (NOF) requirement
4. The Board of Directors of the Company has passed a resolution for non-acceptance of public deposit.
5. The Company has not accepted any public deposits during the year 2023-24
6. According to the information and explanation given to us, the Company has complied with the prudential norms on income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as specified in the direction issued by Reserve Bank of India in terms of the Master Directions.

For Biju George & Company
Chartered Accountants
Firm Registration Number 007920S

Place: Thodupuzha
Dated: 06/09/2024

Sd/-
Biju George BSc, FCA, DISA(ICA)
Proprietor
Membership No. 206233
UDIN: **24206233BKBZHT5857**

Annexure 2 to the Auditor's Report

(Referred to in paragraph 2 under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Capital Finserve Limited)

1(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of- use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets

(b) The Property, plant and equipment were physically verified during the year by the management, in accordance with a regular program of verification, which in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. No material discrepancies were noticed on such verification.

(c)As explained to us, the Company has not acquired any immovable properties Accordingly the provisions of Paragraph 3 clause i (c) of the order is not applicable.

(d) The company has not revalued its property, Plant and Equipment (including right-of- use assets) or Intangible assets or both during the year.

(e) No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (prohibition) Act, 1988 (45 of 1988) and rules made there under

ii)(a) The company is in the business of rendering financial services and accordingly does not hold any physical inventories. Thus the provisions of Paragraph 3 clause (ii)(a) of the order is not applicable to the company.

(b) The company has not been sanctioned any working capital limits in excess of 5 Crore, in aggregate ,at any point of time during the year from banks or Financial Institutions on the basis of security of current assets and hence reporting under clause 3 (ii) (b) of the order is not applicable.

iii (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company does not have any subsidiary so this clause is not applicable

(b) In my opinion , having regard to the nature of the Company's business , investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees are, prima facie, not prejudicial to the company's interest

(c) In respect of loans granted by the company, the schedule of repayment of Principal and payment of interest has been stipulated and repayments of principal Amounts and receipts of interest are generally been regular except in a few cases.

(d) According to the information and explanations given to us, and based on the audit procedures performed by us, there is an overdue amount of Rs. 849.04 lakhs for more than ninety days. Reasonable steps have been taken by the company for recovery of interest and principal.

(e) The company being a NBFC whose principal business is to give loan is exempt from Paragraph 3 Clause (iii) (e).

(f) Based on our audit procedures and according to the information and explanation made available to us the company has granted demand loans aggregating to Rs.375.89 Lakhs . The percentage thereof to the total loan granted is 6.89%. The aggregate amount of demand loans granted to related parties as defined in clause (76) of section 2 of the Companies Act , 2013 is Rs.136.35 Lakhs.

iv) In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the company has complied with the provision of sections 185 and 186 of the Companies Act, 2013 with respect to loans and advances granted, guarantees and securities provided and investments made by the company during the year.

v) According to the information and explanations given to us, the Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year which attract the directives issued by the Reserve Bank of India, within the meaning of section 73 to section 76 of Companies Act, 2013

vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under paragraph (vi) of the Order is not applicable to the Company.

vii)(a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Goods and Services Tax, Duty of customs, Cess and any other material statutory dues, as applicable to the Company, to the appropriate authorities during the year.

According to the information and explanations given to us, no undisputed statutory dues payables in respect of Provident Fund, Employee's State Insurance, Income Tax, Goods and Services Tax, Duty of customs, Cess and any other material statutory dues were outstanding as at March 31,2024, for a period of more than six months from the date they become payable.

(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, sales tax, service tax, duty of customs, duty of excise and value added tax which not been deposited on account of any dispute.

viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income tax act 1961 as income during the year. Accordingly, reporting under clause 3(viii) of the order are not applicable to the company

ix) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of loans or other borrowings or in the payment of interest there on to any lender.

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

(c) According to the information and explanations given to us the company has not obtained any term loan from any bank or financial institution and therefore, the reporting requirement under clause (ix) (c) of paragraph 3 of the Order is not applicable.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the company.

(e) The company does not hold any investment in any subsidiary, associates or joint ventures (as defined under the companies act, 2013) during the year ended 31 March 2024. Therefore, the reporting requirement under clause (ix) (e) and (f) of paragraph 3 of the Order is not applicable

x (a) The company has not raised any money during the year by way of initial public offer or further public offer (including Debt Instruments). Therefore, the reporting requirement under clause (x) (a) of paragraph 3 of the Order is not applicable.

b) The Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year. Thus, reporting under paragraph 3(x)(b) of the order is not applicable to the company

xi a) During the course of my audit, and on examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to me, I have neither come across any instance of material fraud by the Company nor on the Company.

b) No Report under Sub- section (12) of section 143 of the act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the central government .

c) As represented to us by the management ,there are no whistle blower complaints received by the Company during the year

xii) The Company is not a Nidhi Company as per the provisions of the Companies act 2013. Therefore the provisions of Paragraph 3 clause (xii) of the Order are not applicable to the Company.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards .

xiv) Since the company is not covered by Section 138 of the Companies Act 2013, Paragraph 3 Clause (xiv) (a) to (b) of the Order is not applicable and hence not commented upon.

xv) According to the information and explanations given to me and based on my examination of the records of the Company, the company has not entered into any non-cash transactions with its directors or persons connected with its directors ; Hence Paragraph 3 clause (xv) of the order is not applicable.

xvi) (a) In our opinion and according to the information and explanations given to us, the company is required to obtain the registration under section 45-IA and the necessary registration has been duly obtained.

b) In our opinion, the Company has conducted Non-Banking financial activities with a valid certificate of registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence paragraph 3(xvi)(c) & (d) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

xvii) The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year. Accordingly Clause 3 (xviii) of the order is not applicable.

xviii) There has been no resignation of the statutory auditors during the year. Hence the provisions stated in Paragraph 3 clause (xviii) of the order is not applicable.

xix) According to the information and explanations given to me and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and my knowledge of the Board of Directors and Management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which cause me to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Accordingly, Paragraph 3 clause (xx) (a) and (b) of the Order are not applicable to the Company.

xxi) According to the information and explanations given to us, the Company does not have any subsidiary / Associate/ Joint Venture. Hence there is no preparation of consolidated financial statements. Accordingly, the provisions stated in paragraph 3 Clause (xxi) of the Order is not applicable to the Company

For Biju George & Company
Chartered Accountants
Firm Registration Number 007920S

Place: Thodupuzha
Dated: 06/09/2024

Sd/-
Biju George BSc, FCA, DISA(ICA)
Proprietor
Membership No. 206233
UDIN: **24206233BKBZHT5857**

ANNEXURE 3 TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Capital Finserve Limited (The Company) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We have 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Financial Statements included obtaining an understanding of internal financial controls with reference to the Financial Statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of the Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and the dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the 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 with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to be best of our information and according to the explanations given to us, the Company has, broadly, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2024, based on the internal control with reference to Financial Statement 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 Biju George & Company
Chartered Accountants
Firm Registration Number 007920S

Place: Thodupuzha
Dated: 06/09/2024

Sd/-
Biju George BSc, FCA, DISA(ICA)
Proprietor
Membership No. 206233
UDIN :**24206233BKBZHT5857**

CAPITAL FINSERVE LIMITED , KOTHAMANGALAM
Cash Flow Statement for the year ended 31st March, 2024

(In Thousands)

Particulars	For the year Ended 31st March, 2024	For the year Ended 31st March, 2023
	Amount in Rs	Amount in Rs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before Tax and Interest	32,766	31,441
Adjustment for:		
Depreciation	3,192	2,008
Operating profit before working capital changes	35,958	33,449
Adjustments for:		
Short Term loans and advances	(158)	(3,425)
Long Term loans and advances	(88,573)	8,907
Non Current Assets	(2,090)	(1,085)
Other Current Assets	(12,568)	1,112
Long Term Provisions	263	50
Other Current Liabilities	1,759	3,959
Short Term Provisions	4,352	1,887
Cash generated from operations	(97,015)	11,403
Direct taxes paid (including Tds less Refund)		
Net cash from operating activities	(61,057)	44,852
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(8,452)	(7,345)
Net cash used in Investing activities	(8,452)	(7,345)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of Un Secured Loans	101,076	6,539
Finance Cost	(38,406)	(30,357)
Net cash from financing activities	62,671	(23,818)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(6,838)	13,690
Cash & Cash Equivalents at Beginning of year	18,204	4,514
Cash & Cash Equivalents at End of year	11,366	18,204
Net Increase/(Decrease) in Cash & Cash Equivalents	(6,838)	13,690

Summary of Significant accounting policies

The accompanying notes are an integral part of the financial statements

In terms of our report attached.

Sd/-

Biju George , B Sc , FCA,DISA(ICA)
Chartered Accountant

M.No.206233
UDIN

Place : Thodupuzha
Date:06.09.2024

For and on behalf of the Board of Directors
For Capital Finserve Limited

Sd/-

Babu Alias
Managing Director
(DIN: 02923957)

9/6/2024

Sd/-

Binu A Kuruvila
Director (DIN:
03638140)

9/6/2024

Sd/-

Saji K Mathew
Director
(DIN: 02921367)

9/6/2024

Sd/-

Poulose Kutty Jacob
Director (DIN:
02921370)

9/6/2024

Sd/-

Shibu Kuriakose
Director
(DIN: 01659358)

9/6/2024

Sd/-

Shajan Kuriakose
Director and
CFO(DIN: 08800728)

9/6/2024

Sd/-

Deepa Dominic
Company
secretary(A65731) 06-
09-2024

CAPITAL FINSERVE LIMITED , KOTHAMANGALAM

Balance Sheet as at March 31, 2024

Particulars	Note	As at 31.03.2024	As at 31.03.2023
		Amount in Thousands	Amount in Thousands
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	201,470.00	201,470.00
(b) Reserves and Surplus	3	(196.77)	4,024.68
(2) Non-Current Liabilities			
(a) Long term Borrowings	4	355,866.58	258,790.30
(b) Long term provisions	5	1,156.45	893.94
(3) Current Liabilities			
(a) Short Term Borrowings	6	20,200.00	16,200.00
(b) Other Current Liabilities	7	13,791.28	12,032.15
(c) Short-term provisions	8	36,919.93	32,567.68
Total		629,207.47	525,978.75
II.ASSETS			
(1) Non-current assets			
(a) Property ,Plant, Equipment & Intangible Assets			
(i) Property, Plant and Equipment	9	21,084.01	16,114.00
(ii) Intangible Assets	9	992.34	702.65
(b) Deferred tax assets (net)		10,574.37	9,155.98
(c) Long- term loans and advances	10	545,436.32	456,863.77
(d) Other Non Current Assets	11	5,739.31	3,649.31
(2) Current assets			
(a) Cash and Cash Equivalents	12	11,365.86	18,203.82
(b) Short term loans and advances	13	4,694.63	4,536.65
(c) Other Current Assets	14	29,320.64	16,752.57
Total		629,207.47	525,978.75

Summary of Significant accounting policies

The accompanying notes are an integral part of the financial statements

In terms of our report attached.

**For and on behalf of the Board of Directors
For Capital Finserve Limited**

Biju George , B Sc , FCA,DISA(ICA)
Chartered Accountant
M.No.206233
UDIN: 24206233BKBZHT5857
Place : Thodupuzha
Date:06.09.2024

Sd/-	Sd/-	Sd/-
Babu Alias	Saji K Mathew	Shibu Kuriakose
Managing Director	Director	Director
DIN: 02923957	DIN: 02921367	DIN: 01659358
9/6/2024	9/6/2024	9/6/2024

Sd/-	Sd/-	Sd/-
Binu A Kuruvila	Poulose Kutty Jacob	Shajan Kuriakose
Director	Director	Director and CFO
DIN: 03638140	DIN: 02921370	DIN: 08800728
9/6/2024	9/6/2024	9/6/2024

Sd/-
Deepa Dominic
Company secretary
A65731
9/6/2024

NOTES TO THE ACCOUNTS (Contd.)

Note 2: SHARE CAPITAL

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of shares	In thousands	Number of shares	In thousands
(a) Authorised Capital				
Equity shares of Rs. 10,000/- each with voting rights	21,000	210,000.00	21,000	210,000.00
(b) Issued Capital				
Equity shares of Rs. 10,000/- each with voting rights	20,147	201,470.00	20,147	201,470.00
(c) Subscribed and fully paid up				
Equity shares of Rs. 10,000/- each with voting rights	20,147	201,470.00	20,147	201,470.00
Total	20,147	201,470.00	20,147	201,470.00

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting

Particulars	Opening Balance	Fresh issue	Buy Back	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2024				
- Number of shares	20,147	-	-	20,147.00
- Amount (In Rs.)	201,470	-	-	201,470.00
Year ended 31 March, 2023				
- Number of shares	20,147	-	-	20,147.00
- Amount (In Rs.)	201,470	-	-	201,470.00
Total	201,470	-		201,470.00

(ii) Rights, Preferences and restrictions attached to Equity Shares:

The Company has one class of equity shares, having a par value of Rs 10,000 each. Each shareholder is eligible for one vote per share held. The Dividend Proposed by the board of directors is subject to the approval of shareholders in the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company in proportion to their share holding.

(iv) Details of shares held by Promoters at the end of the year

Promoter Name	AS AT 31.03.2024			AS AT 31.03.2023		
	Number of shares held	% holding in that class of shares	% Change during the year	Number of shares held	% holding in that class of shares	% Change during the year
Vinayan Gopinathan Nair	554	2.75	-	554	2.75	-
Shibu Kuriakose	784	3.89	-	784	3.89	-
Thombrayil Uthup Kuruvilla	34	0.17	-	34	0.17	-
Raju Jacob	784	3.89	-	784	3.89	-
Pontheakkan Antony Raphy	784	3.89	-	784	3.89	-
Saji Kochukudiyil Mathew	944	4.69	-	944	4.69	-
Paulosekutty Jacob	784	3.89	-	784	3.89	-
Babu Alias	786	3.90	-	786	3.90	-
Basil Abraham	784	3.89	-	784	3.89	-
Binu Anachira Kuruvilla	784	3.89	-	784	3.89	-
Kallookaren Ouseph Thobias	784	3.89	-	784	3.89	-
Muttanvancherry Mathai Joseph	784	3.89	-	784	3.89	-

NOTES TO THE ACCOUNTS (Contd.)

Note 3: RESERVES & SURPLUS

Particulars	As at 31.03.2024	As at 31.03.2023
a. Statutory Reserve		
As per last Balance Sheet	10,619.24	10,469.93
Add: Transferred from Profit and Loss Account	-	149.31
Total Statutory Reserve	10,619.24	10,619.24
b. Surplus in the Statement of Profit and Loss		
As per last Balance Sheet	(6,594.56)	(7,191.81)
Add: Transferred from Profit and Loss Account	(4,221.45)	746.57
(-) Amount Transferred to Statutory Reserve	-	149.31
Closing Balance of Surplus	-10,816.01	(6,594.56)
TOTAL	-196.77	4,024.68

Note 4: LONG TERM BORROWINGS

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Non-Convertible Debenture	271,400.00	241,800.00
(Secured by <i>Pari - pasu</i> first charge on pledged gold ornaments, mortgaged land and current assets of the Company)		
(b) Subordinated Liabilities		
Secured Subordinated Debts Un	35,920.00	2,485.00
(c) Un secured loans		
From Directors and Relatives	48,546.58	14,505.30
Total	355,866.58	258,790.30

Debentures- Series	Amount	Rate of Interest	Date of Redemption
S SERIES	28,100.00	11.5% for monthly and quarterly scheme and 12% for annual and 12.5% for doubling scheme	12.05.2030 / 12.06.2030
R SERIES	40,600.00	11.5% for monthly and quarterly scheme and 12% for annual and 12.5% for doubling scheme	22.11.2019/ 21.12.2019
Q SERIES	19,100.00	11% for monthly and quarterly scheme and 11.25% for annual scheme	10.06.2028
P SERIES	45,000.00	11% for monthly and quarterly scheme, 11.25% for annual scheme and 12% for doubling scheme	24.11.2027/ 24.03.2029
O SERIES	10,200.00	11% for monthly and quarterly scheme, 11.25% for annual scheme and 12% for doubling scheme	22.09.2028
N SERIES	11,400.00	11% for monthly and quarterly scheme, 11.25% for annual scheme and 12% for doubling scheme	23.01.2028

M SERIES

17,500.00 | 11% for monthly and quarterly
scheme and 11.25% for annual
scheme | 06.12.2026 /
10.12.2026

L SERIES	29,700.00	scheme, 11.25% for annual scheme and 12% for doubling scheme	12.10.2027
K SERIES	34,300.00	11% for monthly and quarterly scheme and 11.25% for annual scheme, 12% for doubling scheme	08.04.2027/ 18.04.2027/ 30.04.2027
J SERIES	29,500.00	11% for monthly and quarterly scheme and 11.5% for annual scheme, 12% for doubling scheme	08.09.2025/ 05.01.2027
I SERIES	6,000.00	11% for monthly and quarterly scheme and 11.5% for annual scheme, 12% for doubling scheme	14.11.2025
TOTAL	271,400.00		

Normally the debentures are issued for a period of five years but the debenture holders will have an option to redeem the debentures from the end of one year from the date of issue.

Subordinated Liabilities	Amount	Rate of Interest	Period of Redemption
I	31,130.00	12% monthly and 12.25% Annually and 12.50% on Maturity	60 Months
II	4,790.00	12.46% on Maturity	72 Months
TOTAL	35,920.00		

Note 5 LONG TERM PROVISIONS

Particulars	As at 31.03.2024	As at 31.03.2023
Provision on Standard assets	1,156.45	893.94
Total	1,156.45	893.94

Note 6 SHORT TERM BORROWINGS

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Current Maturities of Long Term Debt : Non-Convertible Debentures	20,200.00	16,200.00
Total	20,200.00	16,200.00

Note 7: OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2024	As at 31.03.2023
Interest Payable on Non-Convertible Debentures	11,544.08	5,868.27
Interest payable on Subordinated Liabilities	1,131.65	
Interest payable on loans from directors and relatives	297.76	
Other Payables		
Salary Payable		1,658.70
PF and ESI Payable	76.31	66.32
TDS Payable	632.53	363.43
Audit Fee payable		67.50
Loan Installments received in Advance/Part	108.94	4,007.94
Total	13,791.28	12,032.15

Note 8: SHORT TERM PROVISIONS

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for Non Performing Assets	36,919.93	32,567.68
Total	36,919.93	32,567.68

Note 10: LONG TERM LOANS AND ADVANCES

Particulars	As at 31.03.2024	As at 31.03.2023
Loans and Advances-Others		
Secured and considered good Gold Loan	382,880.52	221,132.98
Secured and considered good Business Loan	96,299.59	115,526.41
Unsecured and Considered good: Personal Loan	28,666.91	20,382.99
Unsecured and Considered good: Demand Loan	37,589.30	99,821.39
Total	545,436.32	456,863.77

Note 11: OTHER NON CURRENT ASSETS

Particulars	31.03.2024	31.03.2023
a) Security Deposits		
i) Building Security Deposit :		
Rent deposit-Kattappana	100.00	100.00
Rent deposit- (Headoffice)	5.00	5.00
Rent deposit-Nedumkandam	100.00	100.00
Rent deposit- Murikkassery	100.00	100.00
Rent deposit- Rajakumary	75.00	50.00
Rent deposit- Illupur	230.00	
Rent deposit- Rajakkad	250.00	40.00
Rent deposit- Kothamangalam town	300.00	300.00
Rent deposit- Vagamon	50.00	50.00
Rent deposit- Karambakudi	100.00	
Rent deposit- Sholavandan	220.00	
Rent deposit- Elappara	200.00	200.00
Rent deposit- Adimaly	100.00	100.00
Rent deposit- Angamaly	250.00	250.00
Rent deposit- Srivilliputhur	300.00	
Rent deposit- Muvattupuzha	210.00	210.00
Rent deposit- Thirumangalam	180.00	
Rent deposit- Perumbavoor	150.00	150.00
Rent deposit- thodupuzha	300.00	300.00
Rent deposit- sivakasi	200.00	200.00
Rent deposit- Thripunithura	400.00	
Rent deposit- Rajapalayam	280.00	280.00
Rent deposit- Natham	200.00	200.00
Rent deposit- Kanjirappally	210.00	210.00
Rent deposit- Ettamannor	200.00	200.00
Rent deposit- Cherai	200.00	200.00
Rent deposit- Upputhura	100.00	100.00
Rent deposit- Pattimattom	25.00	
Rent deposit- Pezhakkappilly	200.00	
Rent deposit- North Paravoor	200.00	
Rent deposit- Kothamangalam	200.00	200.00
ii) Other Deposits		
PMGKY Deposit	75.00	75.00
Gas Connection Deposit	1.85	1.85
Electricity Deposit	27.46	27.46
Total	5,739.31	3,649.31

Note 12: CASH AND BANK BALANCES

Particulars	31.03.2024	31.03.2023
Cash in hand	7,164.55	9,740.04
<u>Cash at bank in Current accounts</u>		
Federal bank , Town Branch 1148	599.29	1,000.16
Federal bank , Town Branch 1189	8.15	8.27
Federal bank , Town Branch 1205	10.00	10.00
Federal bank , Thrissur Branch 11020	14.18	24.19
Federal Bank Muvattupuzha 4628	114.77	44.82
Federal Bank Angamaly 807	70.43	2.60
Federal Bank, Kattappana	59.85	50.87
Federal Bank, Nedumkandam	50.52	76.84
Federal Bank,1213 T Branch KMM Town	81.73	50.98
Federal bank KMM	13.93	13.93
Federal Bank Limited TPZ1039	118.71	217.73
Federal Bank KLR 14404	27.57	313.45
Federal Bank 174302000001279 Pbr	5.70	11.55
HDFC Bank HO	1,788.51	277.26
HDFC Bank Pattimattom	6.54	
HDFC Bank Srivilliputhur 7133	12.85	
HDFC Bank Thirumangalam7944	6.86	
HDFC Bank Thripunithura 13663	4.39	
HDFC Bank Pezhakkappilly 9067	41.28	
South Indian Bank - Murikkasserry 0315	184.98	132.09
Federal Bank Rajakkad-5822	111.33	15.89
Federal Bank Upputhura -2917	44.71	185.40
Gramin Bank 0690 -Elappara	83.14	494.70
Union Bank-Rajakumari	24.60	12.81
Federal Bank Cherai	257.25	41.00
Federal Bank Kanjirapally	36.10	150.21
Federal Bank Ettumanoor	16.66	24.89
HDFC Bank Rajapalayam 7132	12.40	30.00
EASF Vagamon 682542	96.77	255.86
Federal Bank Share 1171	9.91	9.91
Federal Bank 13640200005880 ADI	77.77	319.21
HDFC Sub Debt 486	0.31	784.00
Sweep Account		3,839.00
Canara Bank Natham	10.07	47.34
Federal Bank North Paravoor	146.87	
Axis Bank -Illupur	0.34	
HDFC Bank Sivakasi 77424594	52.83	18.80
Total	11,365.86	18,203.82

Note 13: SHORT TERM LOANS AND ADVANCES

Particulars	31.03.2024	31.03.2023
Advance Paid- Ambattu Agencies		1.10
Demat Account-Advance	178.50	90.00
Suit Fees Recoverable	2,912.07	2,340.92
Advance paid for interior Work of Branches.	1,604.05	2,104.63
Total	4,694.63	4,536.65

Note 14: OTHER CURRENT ASSETS

Particulars	31.03.2024	31.03.2023
T D S	4,733.62	2,899.41
Interest Receivable on Loans (BL/GL/DL)	19,798.47	8,761.66
Land attached in satisfaction of debt of Rs.46,01,300	4,601.30	5,091.50
Pre paid insurance	187.26	
Total	29,320.64	16,752.57

In terms of our report attached.

For and on behalf of the Board of Directors
For Capital Finserve Limited

Biju George , B Sc , FCA,DISA(ICA)
Chartered Accountant
M.No.206233
UDIN: 24206233BKBZHT5857

Sd/-

Babu Alias
Managing
Director
DIN: 02923957
9/6/2024

Sd/-

Saji K Mathew
Director
DIN: 02921367
9/6/2024

Sd/-

Shibu Kuriakose
Director
DIN: 01659358
9/6/2024

Sd/-

Binu A Kuruvila
Director
DIN: 03638140
9/6/2024

Sd/-

Poulose Kutty Jacob
Director
DIN: 02921370
9/6/2024

Sd/-

Shajan Kuriakose
Director and CFO
DIN: 08800728
9/6/2024

Place : Thodupuzha
Date:06.09.2024

Sd/-

Deepa Dominic
Company secretary
A65731
9/6/2024

CAPITAL FINSERVE LIMITED , KOTHAMANGALAM

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

Particulars	Note No.	For the period ended	For the period ended
		31st March, 2024	31st March, 2023
		Amount in Thousands	Amount in Thousands
I.REVENUE			
Interest Received	15	89,024.94	66,562.11
Other Income	16	527.48	369.08
Total Revenue		89,552.41	66,931.19
II.EXPENSES			
Employee benefits expenses	17	29,436.53	19,980.12
Finance Costs	18	38,405.57	30,356.82
Depreciation and amortization expense	9	3,192.36	2,007.62
Other expenses	19	24,157.80	13,502.56
Total Expenses		95,192.25	65,847.11
III. Profit/ Loss before tax (I-II)		(5,639.84)	1,084.08
IV. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		1,418.39	(337.51)
V Profit /loss after tax (III-IV)		(4,221.45)	746.57
Basic and Diluted Earnings Per Share of Rs.10,000 each	20	(209.53)	37.06
Summary of Significant accounting policies			
The accompanying notes are an integral part of the financial statements			

In terms of our report attached.

Sd/-
Biju George , B Sc , FCA,DISA(ICA)
Chartered Accountant
M.No.206233
UDIN: 24206233BKBZHT5857

Place : Thodupuzha
Date: 06-09-2024

For and on behalf of the Board of Directors
For Capital Finserve Limited

Sd/-	Sd/-	Sd/-
Babu Alias	Saji K Mathew	Shibu Kuriakose
Managing Director	Director	Director
DIN: 02923957	DIN: 02921367	DIN: 01659358
9/6/2024	9/6/2024	9/6/2024
Sd/-	Sd/-	Sd/-
Binu A Kuruvila	Poulose Kutty Jacob	Shajan Kuriakose
Director	Director	Director and CFO
DIN: 03638140	DIN: 02921370	DIN: 08800728
9/6/2024	9/6/2024	9/6/2024

Sd/-
Deepa Dominic
Company secretary
A65731
9/6/2024

NOTES TO THE ACCOUNTS (Contd.)**15 REVENUE FROM OPERATIONS**

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<u>INTEREST</u>		
Interest on personal loan	4,510.99	2,692.72
Interest on business loan	11,414.05	5,049.84
Interest on gold loan	65,506.95	44956.15
Interest on Demand / Instant loan	7,592.95	13,863.41
TOTAL	89,024.94	66,562.11

16 OTHER INCOME

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest on Sweep A/c	79.87	175.51
G L Service charges	326.57	130.71
Interest on Income Tax Refund	120.29	61.34
Personal Loan Renewal charge	0.75	1.52
	527.48	369.08

17 EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries, Wages & Other benefits	24,429.69	14,074.14
Staff welfare expenses	162.51	358.03
Incentive to staff	974.91	578.68
Bonus	220.00	174.00
Eemployers Contribution to PF & ESI	627.93	482.84
Salary paid to marketing managers	665.00	0.00
Wages paid to recovery officer		3,960.00
Wages	2,356.49	352.45
TOTAL	29,436.53	19,980.12

18 FINANCE CHARGES

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest on Loans from Directors and Relatives	2,352.53	1,017.61
Interest on Debenture	33,507.79	29,278.46
Interest on Subordinated Liabilities	2,098.47	
Interest on Gold Loan Federal Bank	446.78	60.75
Total	38,405.57	30,356.82

19 OTHER EXPENSES

Particulars	For the year ended	For the year ended
	31st March, 2024	31st March, 2023
Audit fees	75.00	75.00
Advertisement	259.44	40.71
Bank Charges	191.05	74.28
Business promotion expenses	400.15	432.64
Car Running Expense	260.49	321.51
Commission	215.00	
Court fees		590.06
Demat Expenses	5.60	4.23
Discount on gold loan Interest	431.95	763.11
Discount on Loan Interest	13.41	25.70
Discount on business Loan Interest	1,558.78	
Discount on demand Loan Interest	32.22	3.05
Donation	4.15	26.20
Electricity charges	775.27	434.58
Insurance	201.12	269.71
Internet expense	76.86	
Income tax paid		23.91
Legal Fee	159.02	15.00
Meeting expenses	324.91	315.52
Office Expenses	1,192.97	532.09
PF Admn.charges	41.24	34.31
Postage & telegram	62.52	40.87
Printing & stationery	758.61	565.31
Professional Charges	470.00	521.84
Provision for NPA	4,352.26	1886.52
Provision for Standard assets	262.51	50.13
Rates & Tax	101.32	54.31
Registration fee	309.39	18.87
Rent paid	7,180.62	4,137.97
Repairs & Maintenance	701.40	398.66
ROC Filing fees	6.66	16.09
Roundoff		0.00
Sitting fee	723.34	
Software expenses	1,191.04	237.62
Suit filing expenses	175.30	329.29
Telephone Charges	398.91	415.54
Travelling Expenses	1,245.31	847.95
TOTAL	24,157.80	13,502.56

20 EARNINGS PER SHARE

Numerator	Current Year	Previous Year
Net Profit as per statement of Profit and loss	(4,221.45)	746.57
Net Profit available to Equity Share Holders	(4,221.45)	746.57
Denominator		
Number of Equity Shares at the year end	20,147.00	20,147.00
Weighted average number of equity shares outstanding during the year (Partly paid shares treated as a fraction of an equity share)	20,147.00	20,147.00
Earnings per Share	-209.53	37.06
Face Value per Equity Share	10,000.00	10,000.00

21 **Related Party Disclosure**

Directors, Key Management Personnel	Nature of Relationship
Babu Alias	Managing Director
Saji K Mathew	Director
Raju Jacob	Director
Shibu Kuriakose	Director
Shajan Kuriakose	Director and CFO
Ponthekkal Antony Raphy	Director
Paulose Kutty Jacob	Director
Binu A Kuruvila	Director
T U Kuruvila	Director
G Vinayan	Director
Basil Abraham	Director
Kallookaren Ouseph Thobias	Director
Muttavenchery Mathai Joseph	Director
Sabu Cherian	Independent Director
Mathew Varghese till 06/10/2023	Independent Director
Jyothykumar Balakrishna Pillai wef 02/01/2024	Independent Director
Fathima Karim Till 03/06/2023	Company Secretary
Deepa Dominic wef 23/12/2023	Company Secretary
Binoychandran Balachandran till 30/11/2023	CFO
K U Jose till 13.08.2022	CFO

Relatives of Directors or Key Management personnel with whom Transactions taken place during the year

Ann Paul	D/o Paulosekutty Jacob
Saira Paul	D/o Paulosekutty Jacob
Elsa Paul	D/o Paulosekutty Jacob
Jency Paulosekutty	W/o Paulosekutty Jacob
Elezabath Paul	Daughter in Law Shajan Kuriakose
Dolly Binu	W/o Binu A Kuruvila
Megha Binu	D/o Binu A Kuruvila
Angel Thoby	D/o K O Thobias
Ashiq Thoby	S/o K O Thobias
Roysy Thoby	W/o K O Thobias
Jelly Shibu	W/o Shibu Kuriakose
Silvy Raphy	W/o Raphy PA
Sunitha Shajan	W/o Shajan Kuriakose
Chinnamma Kuruvila	W/o T U Kuruvila
Ave Maria	D/o Raphy PA
Roshan Babu	S/o Babu Eliyas
Kiran Babu	S/o Babu Eliyas

Enterprises in which directors have substantial interest/ Significant influence

Kottancheril Trading Company		
K P Chacko Gold Centre and Kids		
Peeyar Exporters		
Karuvanthala Hotels		
Sona Hotel		
Capital Credits		
Capital Investments		
Angel Gold		

Related party transactions during the year	Current Year	Previous Year

Loans accepted from Directors, key Management Personnel / Relative during the year		
NAME	Opening Balance As On 01/04/2023	Loans accepted during the year
Babu Alias	5,459.19	4,146.58
G Vinayan	5,046.12	
Binu A Kuruvila		1,500.00
Saji K Mathew		2,500.00
Shajan Kuriakose		2,500.00
Paulose Kutty Jacob		2,500.00
Elezabath Paul		5,000.00
Dolly Binu		2,500.00
T U Kuruvila	4,000.00	12,500.00
Chinnamma Kuruvila		5,000.00
Roshan Babu		400.00
Muttavenchery Mathai Joseph		1,000.00
	14,505.30	39,546.58

Debentures Issued to Directors, key Management Personnel / Relative during the year		
Name	OPENING BALANCE AS ON 01/04/2023	Debentures Issued during the year
Megha Binu	3000	4000
Saira Paul	1000	1000
Elsa Paul	500	1500
Jency Paulosekutty	3000	1000
Ann Paul	2500	2000
T U Kuruvila	2000	0
G Vinayan	1400	0
Roysy Thoby	500	0
Silvy Raphy	2500	0
Angel Thoby	1300	0
Ashiq Thoby	200	0
Sunitha Shajan	2500	0
Ave Maria	500	0

Loan Given to key Management Personnel / Relatives of key Management personnel / Enterprises in which directors have significant influence during the year		
Name	OPENING BALANCE AS ON 01/04/2023	Loans Given During the year
Jelly Shibu	412.00	
Raphy Antony	5,000.00	
Kottancheril Trading Company	1,200.00	
Karuvanthala Hotels		5,000.00
Peeyar Exporters	10,000.00	
Sona Hotel	2,500.00	
K P Chacko Gold Centre and Kids	5,000.00	
Kiran Babu		
Sunitha Shajan		

Chinnamma Kuruvila		
Capital Credits		
Capital Investments		
M M Joseph		
Angel Gold		

	Current Year	Previous Year
<u>Remuneration paid to Key persons</u>		
Fathima Karim	270.00	377.94
Deepa Dominic	138.19	
Shajan Kuriakose	175.00	
Binoychandran Balachandran	1,200.00	1,122.58

22	Balance of debtors, creditors & loans and advances are subject to confirmation/reconciliation.
23	In the opinion of the management , the current assets, loans and advances shall realise the value as shown in the balance sheet, if realised in the normal course of business.
24	The company does not hold any immovable property as on the Balance sheet date.
25	The company has not revalued its property, Plant and Equipment during the year.
26	Demand Loans are granted to related parties (as defined in clause (76) of Sec 2 of the Companies Act, 2013).
27	No proceedings have been initiated or pending against the company for holding any Benami Property under the Benami Transactions (prohibitions) Act, 1988 (45 of 1988) and Rules made thereunder.
28	As on the date of approval of this financial statements,the company is not declared as wilful defaulter by any Bank or any financial institution or other lender.
29	During the year The Company has no transaction with Companies struck off under section 248 of Compnies Act 2013 or sec 560 of Companies Act,1956.
30	No charges or satisfaction is yet to be registered with Registrar of Companies beyond the statutory period.
31	The Company has no layers and hence the provisions of layers prescribed under clause (87) of section 2 of the Companies Act, is not applicable.
32	There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237 of the Companies Act,2013
33	The company has not advanced/loaned/invested or received funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
34	There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
35	The company is not covered by the provisions of Corporate Social Responsibility provided under section 135 of Companies act 2013
36	The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year,
37	Previous year figures have been regrouped /reclassified wherever necessary to suit the current year's layout.

38	Analytical Ratios	Current Period	Previous Period	% of variance*	Reason for variance
I	Liquidity Ratio				
	Current Ratio (times)				
	Current Assets/Current Liabilities	3.29	3.28	0.25	
II	Solvency Ratio				
	Debt-Equity Ratio (times)				
	Total Debt/Shareholder's Equity	1.69	1.33	27.44	Due to increase in Borrowings and Loss incurred by the Company during 2324
	Debt Service Coverage Ratio (times)				
	(EBITDA-CAPEX)/Debt Service (Int+Principal)	0.94	1.10	-15.03	
III	Profitability Ratio				
	Net Profit Ratio (%)				
	Net Profit/Sales	-4.74	1.12	-522.77	Due to loss of Rs 56.40 Lakhs incurred by the Company in the CY against a profit of 10.84 Lakhs in the PY
	Return on Equity Ratio (%)				
	Net Profit after tax/Average Shareholder' s Equity	-2.08	0.36	-679.32	Due to loss of Rs 56.40 Lakhs incurred by the Company in the CY against a profit of 10.84 Lakhs in the PY
	Return on Capital employed (%)				
	Earnings before interest and tax/Capital Employed	6.17	6.71	-7.96	
	Return on Investment (%)				
	Net Profit after tax/Share capital	-2.10	0.37	-665.45	Due to loss of Rs 56.40 Lakhs incurred by the Company in the CY against a profit of 10.84 Lakhs in the PY
IV	Utilization Ratio				
	Net capital turnover ratio (times)				
	Net Sales/Average Working Capital(CA-CL)	3.02	4.50	-33.07	Due to Increase in Provisions of the company
	Trade Receivables turnover ratio (times)				
	Net Credit Sales/Average trade receivables	NA	NA	NA	NA
	Inventory turnover ratio (times)				
	COGS/Average Inventory	NA	NA	NA	NA
	Trade payables turnover ratio (times)				
	Net Credit Purchases /Average Trade Payables	NA	NA	NA	NA

In terms of our report attached.

For and on behalf of the Board of Directors
For Capital Finserve Limited

Biju George , B Sc , FCA,DISA(ICA)
Chartered Accountant

Sd/-
Babu Alias
Managing Director

Sd/-
Saji K Mathew
Director

Sd/-
Shibu Kuriakose
Director

M.No.206233
UDIN: 24206233BKBZHT5857

DIN: 02923957
9/6/2024

DIN: 02921367
9/6/2024

DIN: 01659358
9/6/2024

Sd/-
Binu A Kuruvila
Director

Sd/-
Poullose Kutty Jacob
Director

Sd/-
Shajan Kuriakose
Director and CFO

Sd/-

Place : Thodupuzha
Date:06.09.2024

DIN: 03638140
9/6/2024

DIN: 02921370
9/6/2024

DIN: 08800728
9/6/2024

Sd/-
Deepa Dominic
Company secretary
A65731
9/6/2024

CAPITAL FINSERVE LIMITED , KOTHAMANGALAM

Note 9 - Fixed Assets- Tangible

Description	GROSS BLOCK-COST/BOOK VALUE			DEPRECIATION/AMORTISATION					NET BLOCK	
	Total as at 1st April 2023	Additions/ Adjustments during the year	Total as at 31.03.2024	Rate (%)	Total as at 1st April 2023	Provided during the year	Deductions/ Adjustments during the year	Total as at 31.03.2024	As at 31st March 2023	As at 31st March 2024
Tangible Asset :										
BUILDING:										
Interior work	4,875.96	3,836.53	8,712.49	9.50%	2,048.83	700.29		2,749.12	2,827.13	5,963.37
Interior work HO	4,760.78	0	4,760.78	9.50%	2,218.99	452.27		2,671.27	2,541.78	2,089.51
PLANT & MACHINERY :										
U P S	405.60	187.50	593.10	6.33%	135.99	33.38		169.38	269.61	423.72
Air Conditioner	811.10	35.00	846.10	6.33%	374.52	53.24		427.76	436.58	418.34
Camera	900.66	378.94	1,279.59	6.33%	332.37	67.12		399.49	568.29	880.11
Inverter	33.00	-	33.00	6.33%	13.25	2.09		15.33	19.76	17.67
Printer	81.24	87.15	168.39	6.33%	37.02	8.71		45.73	44.22	122.66
Equipments	749.74	280.73	1,030.47	6.33%	315.48	59.91		375.39	434.26	655.09
Computer	1,543.05	613.36	2,156.41	31.67%	1,347.01	222.08		1,569.09	196.04	587.32
FURNITURE & FITTINGS :										
Furniture & Fittings	2,523.93	361.14	2,885.07	9.50%	1,921.60	224.37		2,145.97	602.33	739.10
Electrical Fittings	229.04	42.56	271.60	9.50%	166.68	25.80		192.48	62.36	79.12
Safe and furniture	5,348.56		5,348.56	9.50%	4.20	508.11		512.31	5,344.36	4,836.25
VEHICLES :										
Innova Car	1,464.53		1,464.53	11.88%	1,342.31	48.99		1,391.30	122.21	73.23
Honda Amaze	835.00		835.00	11.88%	46.64	99.20		145.83	788.36	689.17
Bike	65.00		65.00	11.88%	32.60	7.72		40.32	32.40	24.68
OTHERS :										
Locker	2,224.80	1,163.70	3,388.50	9.50%	1,277.25	283.74		1,561.00	947.55	1,827.51
Name Board	1,505.35	983.56	2,488.91	9.50%	628.58	203.14		831.72	876.77	1,657.19
Intangible Asset :										
Software ICRATS	702.65	481.88	1,184.53		0.00	192.19		192.19	702.65	992.34
TOTAL	29,059.97	8,452.05	37,512.02		12,243.32	3,192.36		15,435.67	16,816.65	22,076.35
PREVIOUS YEAR	21,715.36	7,344.61	29,059.97		10,235.70	2,007.62		12,243.32	11,479.66	16,816.65

CAPITAL FINERVE LIMITED ,KOTHAMANGALAM

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

As required in terms of Para 18 of Non-Banking Financial company Non-systematically Important Non Deposit taking
(Reserve Bank) Directions,2016

(Rs. in lakhs)

Particulars			
<u>Liabilities side :</u>		Amount Overdue	
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	3,760.67	NIL
	Debentures : Secured	2,916.00	
	: Unsecured	NIL	
	(other than falling within the meaning of public deposits*)		
	Deferred Credits	NIL	
	Term Loans-	NIL	
	Inter-corporate loans and borrowing	NIL	
	Commercial Paper	Nil	
	Subordinated Debts	359.20	
	Other Loans -Deposit from Directors	485.47	
<u>Assets side :</u>			
		Amount outstanding	
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured	4,791.80	
	(b) Unsecured	662.56	
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	NIL	
	Operating lease	NIL	
	Stock on hire including hire charges under sundry debtors:		
	Assets on hire	NIL	
	Repossessed Assets	NIL	
	Other loans counting towards AFC activities		
	Loans where assets have been repossessed	NIL	
	(b) Loans other than (a) above	NIL	

(5)	Borrower group-wise classification of assets financed as in (2) and (3) above : Please see Note 2 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties **	NIL	NIL	NIL
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same Group	NIL	NIL	NIL
	(c) Other related parties	NIL	136.35	136.35
	2. Other than related parties	4,791.80	526.21	5,318.01
	Total	4,791.80	662.56	5,454.36
(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below			
	Category	Market Value/Break-up or Fair Value or NAV	Book Value (Net of Provisions)	
	1. Related Parties **	NIL	NIL	
	(a) Subsidiaries	NIL	NIL	
	(b) Companies in the same group	NIL	NIL	
	(c) Other related parties	NIL	NIL	
	2. Other than related parties	NIL	NIL	
	Total	NIL	NIL	

** As per Accounting Standard of ICAI (Please see Note 3)

(8)	Other Information	
	Particulars	Amount
	1. Gross Non-Performing Assets (a) Related Parties (b) Other than Related Parties 2. Net Non-Performing Assets (a) Related Parties (b) Other than Related Parties 3. Assets acquired in satisfaction of debt	NIL 828.56 NIL 459.37 46.01

Sd/-

Biju George , B Sc, FCA,DISA (ICA)

Chartered Accountant
M.NO.206233

Place : Thodupuzha

Date : 06/09/2024