

BEST FINANCE CORPORATION LIMITED
CIN: U65921TZ2009PLC015595
Regd. Office: 89/2, PADMAVATHI PURAM, AVINASHI ROAD,
TIRUPUR - 641603
E-mail id: acs@bestfinance.in Phone: 0421-4560000

NOTICE TO THE FIFTEENTH ANNUAL GENERAL MEETING

Notice is hereby given that the 15th Annual General Meeting of BEST FINANCE CORPORATION LIMITED will be held on Friday, **16TH August, 2024 at 10.00 A.M** at the registered office of the Company situated at 89/2, Padmavathipuram, Avinashi Road, Tirupur - 641603 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone & consolidated financial statements for the year ended 31st March, 2024 and the reports of the Directors and Auditors thereon.
2. To appoint Mr.S.Ramasamy (DIN:01555694), who retires by rotation as a Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr.S.Ramasamy (DIN:01555694), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby appointed as a Director of the Company.

SPECIAL BUSINESS:

3. Appointment of Mr.M.V.Krishnan (DIN: 08219013) as an Independent 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 in accordance with, the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Schedule IV of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 including any other Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the Article No. 64 of Articles of Association of the Company, Mr.M.V.Krishnan (DIN: 08219013), who was appointed as an Additional Director (in the capacity of a Non-Executive Independent Director) of the Company by the Board of Directors at its meeting

held on 28.06.2024 pursuant to section 161 of the Act and whose term of office expires at this Annual General Meeting (AGM) and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a period of 2 (two) years commencing from 28th June, 2024 whose period of office will not be liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT the board of directors of the Company be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.

4. Re-appointment of Mr.R.Rajkumar (DIN: 01506017) as Managing Director

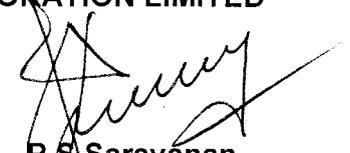
To consider and, if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to such consents and permissions, as may be required, approvals of the Members of the Company be and is hereby accorded for re-appointment of Mr.R.Rajkumar (DIN: 01506017) as the Managing Director of the Company for a period of 5 (five) years with effect from 01st July, 2024 on such terms and conditions as set out in this resolution and the explanatory statement annexed hereto (including payment of remuneration), with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr.R.Rajkumar (DIN: 01506017).

RESOLVED FURTHER THAT the Board of Directors or a duly constituted Committee thereof be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By order of the Board of Directors
For **BEST FINANCE CORPORATION LIMITED**

Place: Tirupur
Date : 15-07-2024


P.S. Saravanan
Director
DIN: 06518225

Explanatory Statement as required by Section 102(1) of the Companies Act, 2013

The following Explanatory Statement sets out all the material facts relating to the special business mentioned under item no. 3 & 4 in the accompanying Notice dated 15.07.2024.

Item No.3:

Mr.M.V.Krishnan (DIN: 08219013) was appointed as an Additional Independent Director of the Company with effect from 28.06.2024 in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company.

The Company has received from Mr.M.V.Krishnan (DIN: 08219013) (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. In the opinion of the Board of Directors, Mr.M.V.Krishnan (DIN: 08219013), the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management.

The Board is of the view that the appointment of Mr.M.V.Krishnan (DIN: 08219013) on the Company's Board as Independent Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No.3 for approval by the members of the Company.

Pursuant to Secretarial Standard - 2 issued by Institute of Company Secretaries of India, additional information about Mr.M.V.Krishnan (DIN: 08219013) is enclosed in Annexure 1.

Mr.M.V.Krishnan (DIN: 08219013) does not hold any share in the Company, either in his individual capacity or on a beneficial basis for any other person.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr.M.V.Krishnan (DIN: 08219013) (i.e., Director proposed for appointment)

himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.

Item No.4:

Mr.R.Rajkumar (DIN: 01506017) is the Managing Director of Best Finance Corporation Limited and having over 33 years of industry experience in various fields.

His current term of appointment as the Managing Director of the Company expired on 30th June, 2024. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr.R.Rajkumar (DIN: 01506017) should be available to the Company for a further period of 5 (Five) years with effect from 01st July, 2024.

The Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meetings held on 28th June, 2024 re-appointed him as Managing Director of the Company for a further period of 5 (Five) years with effect from 01st July, 2024.

The main terms and conditions for the re-appointment of Mr.R.Rajkumar (DIN: 01506017) as Managing Director (MD), are as follows:

- I. **Period** – From 01st July 2024 to 30th June 2029
- II. **A. Remuneration**
 - a) **Salary:** Current Salary of Rs.2,00,000/- per month; The annual increments which will be effective 1st April each year, will be decided by the Board based on the recommendation of the Nomination and Remuneration Committee (hereinafter called the "NRC") and will be performance-based and take into account the Company's performance as well, within the said maximum amount.
 - b) **Benefits, Perquisites & Allowances:**
 - Provision of car
 - Provision of telephone (landline & mobiles)
 - Security
 - Rent free accommodation, if he chooses

B. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, wherein any financial year during the currency of the tenure of Mr.R.Rajkumar (DIN: 01506017), the Company has no profits or its profits are inadequate, the Company will pay remuneration, for a period of 3 years, by way of Salary, Benefits, Perquisites and

Allowances as specified above, subject to further approvals as required under Schedule V of the Act, or any modification(s) thereto.

III. Nature of Duties –

The MD shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.

In accordance with the provisions of Sections 196, 197 & other applicable provisions of the Act, read with Schedule V to the said Act, the proposed appointment and the terms of remuneration payable to Mr.R.Rajkumar (DIN: 01506017) require approval of members by passing Special Resolution. Hence, the members are requested to pass the Special Resolution accordingly.

The Board recommends the Resolution at Item No. 4 for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said resolution except Mr.R.Rajkumar (DIN: 01506017).

ANNEXURE 1

Details of Directors retiring by rotation / seeking appointment / re-appointment at the Meeting

Name of Director	Mr.S.Ramasamy (DIN: 01555694)
Age	78 years
Qualifications	He holds B.A in Economics and in History
Experience	More than 55 years' experience in Garment industry
Date of first Appointment on Board	30.09.2019
Shareholding in the Company	84150 equity shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Father of Mr.R.Rajkumar, Managing Director & Mr.R.Dhanapal, Director

Number of Board Meetings attended during the financial year 2023-24	1 Meeting
Other Directorships	<ol style="list-style-type: none"> 1. Best knitwear export private limited 2. Best corporation private limited 3. Best apparels private limited 4. R-best infra private limited 5. Best finance corporation limited 6. RRD holdings (India) private limited 7. Best colour solutions India private limited 8. A.S.A realty developers (tirupur) private limited
Membership / Chairmanship of Committees of other Boards	-----

ANNEXURE 2

Details of Directors retiring by rotation / seeking appointment / re-appointment at the Meeting

Name of Director	Mr. M.V.Krishnan (DIN: 08219013)
Age	44 Years
Qualifications	<p>Diploma in Management Education from Indian Institute of Management (IIM) Indore, 2005</p> <p>Masters in Commerce from University of Madras, 2002</p> <p>Chartered Accountant, Institute of Chartered Accountants of India, 2001</p> <p>Bachelors in Commerce from University of Madras, 2000</p>
Experience	Worked with Deutsche Bank AG across foreign exchange, global markets, and corporate coverage for over 13 years before starting his markets career with Agreya Capital as a Co-founder and managing partner.
Date of first Appointment on Board	28-06-2024
Shareholding in the Company	NIL

Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NIL
Number of Board Meetings attended during the financial year 2023-24	NIL
Other Directorships	NIL
Membership / Chairmanship of Committees of other Boards	Audit Committee - Member Nomination & Remuneration Committee - Member

ANNEXURE 3

Details of Directors retiring by rotation / seeking appointment / re-appointment at the Meeting Pursuant to Secretarial Standard 2 -

Name of Director	R.Rajkumar (DIN: 01506017)
Age	53 years
Qualifications	Graduate in Business Management from Bharathiyar University
Experience	More than 33 years of experience in in the field of garment manufacturing and over 14 years of experience in the field of Finance and non-banking industry
Date of first Appointment on Board	13/11/2009
Shareholding in the Company	No of equity shares - 10,93,073 % of shares - 83%
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Son of Mr.S.Ramasamy (DIN:01555694), Director & Brother of Mr.R.Dhanapal, Director
Number of Board Meetings attended during the financial year 2023-24	7 Meetings
Other Directorships	1. Apparel made-ups and home furnishing sector skill council 2. Best cotton mills private limited 3. RRD tex private limited 4. Best lan garments private limited 5. RRD corporation private limited

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	<ol style="list-style-type: none">6. Shivan aadithya shelters private limited7. Best corporation private limited8. LAN spin tex private limited9. Best colour solutions india private limited10. Aadithya shivan realty private limited11. Dhanapal realty private limited12. DNA shelters private limited13. RD property developers (India) private limited14. Shivan aadithya air services private limited15. Target real property (india) private limited16. RAAS shelters private limited17. RRD holdings (india) private limited18. NDA property developers private limited19. RA property developers (tirupur) private Ltd
Membership / Chairmanship of Committees of other Boards	Audit Committee – Chairman CSR Committee - Chairman

By order of the Board of Directors
For **BEST FINANCE CORPORATION LIMITED**

Place: Tirupur

Date : 15-07-2024


P.S. Saravanan
Director
DIN: 06518225

BEST FINANCE CORPORATION LIMITED
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Regd. Office: 89/2, PADMAVATHI PURAM, AVINASHI ROAD,
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DIRECTORS REPORT

Your board of directors is pleased to share with you the 15th annual report of Best Finance Corporation Limited along with the audited statements of accounts for the year ended 31st March, 2024.

FINANCIAL SUMMARY OF THE COMPANY

Particulars	Amount (in Rupees)	
	2023-2024	2022-2023
Income from operations	60,31,59,246.00	46,36,17,290.00
Profit before Interest, depn and Tax	39,90,10,114.00	31,92,58,144.00
Less: Financial Cost	16,94,93,258.00	12,53,90,650.00
EBDT	22,95,16,856.00	19,38,67,494.00
Less: Depreciation	1,07,43,721.00	1,03,65,812.00
Profit / (Loss) before tax	21,87,73,135.00	18,35,01,682.00
Tax Expense	5,46,08,440.00	5,15,33,292.00
Net Profit /(Loss) after tax	16,41,64,695.00	13,19,68,390.00

DIVIDEND

Considering the expansion plans of business in the coming year and to strengthen the financial position of the company, the board of directors are not recommending dividend for the financial year 2023-2024.

RESERVES

Your Board of Directors has transferred an amount of Rs.3,28,32,939/- to the statutory reserve maintained under Section 45 IC of the Reserve Bank of India Act, 1934. Post transfer of profits to reserves, the total surplus as on 31st March, 2024 stood at Rs.54.26 crores.

PERFORMANCE OF THE COMPANY

During the financial year under review, the company had earned an interest and other income of Rs.60,31,59,246/- when compared to the previous year income which amounts to Rs.46,36,17,290/-. Profit Before Tax stood at Rs.21,87,73,135/- compared to Rs.18,35,01,682/- in the previous year and Profit After Tax stood at Rs.16,41,64,695/-.

Loan assets of the Company stood at Rs.301.14 crs compared to Rs.191.87 crs in the previous year. Gold Loan is the most significant product in the product portfolio of the Company (86%). Average LTV of the Gold Loan of the Company is currently 64.54% (31st March 2024).

During the financial year 2023-24, we have added Eighteen (18) more branches as part of business expansion and had closed two branches due to operational inconveniences.

INDUSTRY OUTLOOK

Back in 2019, the valuation of the gold loan market in India was INR 2921.42 Billion and it is estimated to achieve a valuation of INR 6275.40 Billion by 2025. The statistics define the strong growth India's gold loan market is experiencing, due to rising credit demand, the presence of affordable gold loan options and government initiatives.

Data from the Reserve Bank of India (RBI) revealed a 15% growth in the gold loan market to Rs.1 lakh crore in FY24. India's gold loan market mirroring the exceptional performance of the commodity market, hence an upsurge in loan volumes is anticipated. The demand for safe-haven assets and the increasing value of gold are driving this trend, especially in rural areas where gold serves as a readily available source of credit. Though 65% of the market remains unorganised, India's gold loan market is estimated to grow at a CAGR of 15%-20%.

In the coming year, India's gold market outlook remains positive due to rising prices, safe-haven appeal, and increased demand from various central banks. The gold loan market is set for further growth, driven by technological innovation, government initiatives, and the sustained increase in per-gram gold rates.

The average loan-to-value (LTV) of the Company has generally remained below 70%.

SHARES

During the year, the Authorised Share Capital of the Company was increased from Rs.9,00,00,000/- (9,00,000 Equity Shares of Rs.100/- each) to Rs.15,00,00,000/- (15,00,000 Equity Shares of Rs.100/- each).

In 24th November 2023, the Company issued and allotted 4,63,418 Equity shares of Rs.100/- each of the Company at a premium of Rs.310/- on rights basis. As a result of such allotment, the paid up share capital increased from Rs.8,57,50,000/- (comprising of 8,57,500 equity share of Rs.100/- each) to Rs.13,20,91,800/- (comprising of 13,20,918 equity share of Rs.100/- each). The shares so allotted rank pari-passu with the existing share capital of the Company. Except as stated herein, there was no other change in the share capital of the Company.

The Company has been regular in servicing all its debt obligations.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Company did not have any funds lying unpaid or unclaimed for a period of 7 years. Therefore, no funds required to be transferred to the Investor Education and Protection Fund.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the year.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March, 2024, the Board comprises of four (4) Directors excluding Independent Directors.

Mr.Duraisamy Sampath (DIN: 08693434) and Mr.Vivek Vasudevan (DIN: 03568303) completed their second term of office, as independent directors of the Company on March 31st, 2024. The Board placed on record its appreciation for the valuable services rendered by them during their association as independent directors of the Company.

The Board of Directors, on the recommendation of the NRC, has approved the appointment of Mr.M.V.Krishnan (DIN: 08219013) as Additional Director, designated as independent director, with effect from 28th June, 2024 for a term of 2 (two) years subject to approval of the shareholders. A resolution seeking shareholders' approval forms part of the Notice.

In accordance with Section 152 of the Act Mr.S.Ramasamy (DIN:01555694), Director is liable to retire by rotation at the ensuing annual general meeting and being eligible he offered himself for re-appointment. The Board recommends the same for the approval of Members.

The present term of appointment of Mr.R.Rajkumar (DIN:01506017) as the Managing Director is expired on 30th June, 2024. The Board has, subject to the approval of the Members in the AGM, approved the re-appointment of Mr.R.Rajkumar (DIN: 01506017) as Managing Director for another period of five years w.e.f 01st July, 2024. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

There was no change in Key Managerial Persons during the FY 2023-2024.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee was drawing remuneration in excess of the limits set out in the said rules.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013. All the Independent Directors of the Company have registered themselves on the Independent Directors' Databank mandated by the Indian Institute of Corporate Affairs as per the requirements of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

On regular intervals, presentations are made at the meeting of Board and Committees, on business, operations and performance updates of the Company and important developments in the subsidiaries, relevant statutory and regulatory changes applicable to the Company, update on important legal matters pertaining to the Company and its subsidiaries to enable them to familiarise with the Company's procedures and practices.

MEETINGS OF INDEPENDENT DIRECTORS

In compliance with requirement under Schedule IV of the Act, a separate meeting of the Independent Directors was held on 10.01.2024. The meeting was attended by all Independent Directors. Independent Directors, at the meeting, reviewed and discussed various matters as required under the Act.

COMMITTEES

a) AUDIT COMMITTEE

Your Company has constituted an Audit Committee in accordance with the requirements of the Companies Act, 2013 with the following directors as members as on 31.03.2024 –

- Mr.R.Rajkumar, Managing Director – Chairman
- Mr.Duraisamy Sampath, Independent Director – Member
- Mr.Vivek Vasudevan, Independent Director – Member

b) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) has been constituted as per the requirements of the provisions of Section 178 of the Act with the following directors as members as on 31.03.2024 –

- Mr.R.Dhanapal, Director – Chairman
- Mr.Duraisamy Sampath, Independent Director– Member
- Mr.Vivek Vasudevan, Independent Director– Member

c) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee has been constituted in line with the provisions of Section 135 of the Act comprised of Mr.R.Rajkumar, Managing Director as Chairman, Mr.R.Dhanapal, Director as member of the Committee, with such role, duties and responsibilities as may be prescribed under the Companies Act, 2013.

The prescribed (two percent of the average net profit of the Company for last 3 financial years) CSR expenditure for the year 2023-2024 is Rs.33,54,021/-.

During the year the Company has spent Rs.33,54,021/- towards CSR Activities. The annual report on CSR activities is annexed in **Annexure-III** herewith.

CSR POLICY

The Committee has approved and recommended to the board a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, which has been approved by the Board.

NUMBER OF BOARD MEETINGS & COMMITTEE MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

A calendar of meeting is prepared and circulated in advance to the directors.

The board of directors met **seven (7) times** during this financial year -

18-04-2023	24-06-2023	04-09-2023	06-11-2023	24-11-2023
10-01-2024	30-03-2024			

Attendance of the directors –

Name of the Directors	Category	No. of Meetings held during the year	No. of Meetings Attended
R.Rajkumar	Managing Director	7	7
R.Dhanapal	Director	7	7
S.Ramasamy	Director	7	1
P.S.Saravanan	Director	7	7
Duraisamy Sampath**	Independent Director	7	
Vivek Vasudevan**	Independent Director	7	

**Retired on 31.03.2024 due to completion of second term of office

Meetings of Committees held during the year and directors' attendance:

Audit Committee – 24.06.2023
Nomination & Remuneration Committee – 10.01.2024
CSR Committee – 10.01.2024

Committee Meeting	Name of the Members	Category	No. of Meetings held during the year	No. of Meetings Attended
Audit Committee	R.Rajkumar	Chairman	1	1
	Duraisamy Sampath	Member	1	1
	Vivek Vasudevan	Member	1	1
Nomination & Remuneration Committee	R.Dhanapal	Chairman	1	1
	Duraisamy Sampath	Member	1	1
	Vivek Vasudevan	Member	1	1
CSR Committee	R.Rajkumar	Chairman	1	1
	R.Dhanapal	Member	1	1

The intervening gap between the meetings was within the period prescribed in the Companies Act, 2013. All the directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

RECORDING MINUTES OF PROCEEDINGS AT BOARD MEETINGS

The Company Secretary records minutes of proceedings of each board meeting. As prescribed under Secretarial Standards – 1, the draft minutes were circulated among the directors for their comments. The minutes are entered in the minutes book within 30 days from the conclusion of the meeting.

SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

RISK MANAGEMENT POLICY

The Company has a well-defined risk management framework in place and a robust organizational structure for managing and reporting on risks. The Company has also developed and implemented a risk management policy which identifies major risks which may threaten the existence of the company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31st March, 2024, the Company had a subsidiary company named “Best Finservices Private Limited”.

Performance of the subsidiary

The subsidiary company has not carried on any commercial activities since its incorporation and yet to commence its commercial operations.

The information required to be furnished regarding subsidiary u/s 129(3) read with rule 5 of Companies (Accounts) Rules, 2014 in prescribed Form No.AOC-1 is attached to this report in Annexure-I.

The Company does not have any joint venture or any associate company during the financial year under review.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of Section 129(3) of the Act, the Consolidated Financial Statements of the Company are included in the Annual Report.

EXTRACT FOR ANNUAL RETURN

The Company does not have a website and therefore it is not required to host its Annual Return.

Pursuant to the provisions of section 134(3) (a) of the Companies Act, 2013, an extract for the annual return for the financial year ended 31st March, 2024 made under the provisions of section 92(3) of the Act is attached in Form MGT-9 as Annexure-II in the prescribed manner, which forms part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo as required to be disclosed under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (accounts) Rules, 2014, is not applicable to the Company as the Company had not engaged in any activity relating to consumption of energy or technology absorption. Further the Company had no income or expenditure in foreign currency.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The loan made, guarantee given or security provided in the ordinary course of business by a NBFC registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. As such, the particulars of loans and guarantees have not been disclosed in this Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All the related party transactions were entered in ordinary course of business and on an arm's length basis. Hence, no disclosure in Form AOC-2 is necessary and the same does not form part of this report. For details of the transactions with related party entered in ordinary course of business on an arm's length basis, refer to the Note 6 of Other Notes to Accounts.

DIRECTORS RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Statutory Auditors, including audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023-24.

In accordance with the provisions of section 134(5) of the Companies Act, 2013 the board hereby submits its responsibility statement:

- a) In the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures.
- b) 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 account of the company for that period.
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) The directors had prepared the annual accounts on a going concern basis.
- e) They had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- g) In terms of section 143(12) of the companies Act, 2013, the auditor had not reported any fraud during the year.

DEPOSITS

Since the Company is a non-deposit taking NBFC, the Company did not accept/renew any deposits within the meaning of Section 73 of the Act and the Rules made thereunder during the period under review.

COMPLIANCE WITH NBFC REGULATIONS

The Company is registered with RBI as a NBFC-ND-SI. The Company has complied with and continues to comply with all applicable laws, rules, circulars and regulations of the Reserve Bank of India applicable to it. With respect to provisioning of NPAs, the Company follows stricter norms than those prescribed by RBI.

CAPITAL ADEQUACY RATIO

The capital adequacy ratio (Standalone) was 32.90% as on 31st March, 2024, comprising Tier I capital ratio of 32.90% against the ratio of 15% as prescribed by the RBI.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company has an adequate internal control system, commensurate with the size, scale and complexity of its operations.

STATUTORY AUDITORS

M/s ALTN & Co, Chartered Accountants, (Firm Registration No.009689S), Tirupur were appointed as Statutory Auditors of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on 29th December, 2020. They have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

STATUTORY AUDITOR'S REPORT

The auditor's report does not contain any qualification or reservation or disclaimer.

SECRETARIAL AUDITOR & COST AUDITOR

Appointment of Secretarial Auditors and Cost Auditors are not applicable to the Company for the financial year 2023-24.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company's Vigil Mechanism policy provides a mechanism under which an employee / director of the Company may report unethical behaviour, suspected or actual fraud, violation of code of conduct and personnel policies of the Company. The Vigil Mechanism ensures standards of professionalism, honesty, integrity and ethical behaviour. Mr.R.Rajkumar, Managing Director is appointed as Vigil Mechanism Officer of the Company.

DEMATERIALISATION OF SHARES

The Company has registered itself with NSDL to provide depository services and obtained ISIN. M/s Cameo Corporate Services Limited has been appointed as Registrar and Share Transfer Agents of the Company. Shareholders can get their shares dematerialised with NSDL through Cameo Corporate Services Limited.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE0D4Z01014.

As on 31.03.2024, shares representing 100 percentage of the total paid up capital of the Company are held in dematerialized form with NSDL.

CREDIT RATING

CARE has assigned ratings as mentioned:

Instrument	Credit Rating Agency	Ratings assigned	Amount (Rs. In Crore)
Long term bank facilities	CARE RATINGS	CARE A (CE); Stable	140

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

No significant and material order passed by any regulators or courts or tribunals impacting the going concern status and company's operation in future.

DETAILS OF AUCTIONS HELD DURING THE YEAR 2023-24

Additional disclosures as required by RBI NBFC Master Directions, 2016:

(Amount in Rupees)

Year	Number of Loan Accounts	Principal Amount outstanding at the dates of auctions (A)	Interest Amount outstanding at the dates of auctions (B)	Total (A+B)	Value fetched
2023-2024	2966	6,10,02,700	2,29,73,831	8,39,76,531	8,55,63,806
2022-2023	4483	11,96,34,800	4,14,45,947	16,10,80,747	15,39,35,082

Note: No related parties participated in the auctions during the year ended 31st March, 2023 and 31st March, 2024.

PREVENTION OF SEXUAL HARASSMENT

The Company recognizes its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination. In Compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has put in place a Policy on prevention of Sexual Harassment of Women at workplace and has duly constituted an Internal Complaints Committee under the same.

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Internal complaints committee has been set up to redress complaints received regarding sexual harassments. The Company does not receive any complaints during the year 2023-2024.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED IN BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL YEAR RELATE AND THE DATE OF THE REPORT

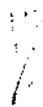
There are no material changes or commitments affecting the financial position of the Company which have occurred between 31st March, 2024 and 28.06.2024, being the date of this Report.

APPRECIATION AND ACKNOWLEDGMENT

The Board takes this opportunity to express their sincere appreciation for the assistance and guidance provided by the Reserve Bank of India, the Ministry of Corporate Affairs, government and other regulatory Authorities, statutory bodies and Company's bankers for the assistance, cooperation and encouragement and continued support extended to the Company.

Your Directors also gratefully acknowledge all executives and employees of the Company for the continued enthusiasm, total commitment and their dedicated efforts. We are also deeply grateful for the continued confidence and faith reposed on us by all the Stakeholders including Shareholders and Debenture holders.

For and on behalf of the Board of Directors



R.Rajkumar
Managing Director
DIN: 01506017



S.Ramasamy
Director
DIN: 01555694

Date : 28-06-2024

Place: Tirupur

Form AOC-1

(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**Part A Subsidiaries**

(Information in respect of each subsidiary to be presented with amount in Rs.)

1. Sl.No.	1
2. Name of the subsidiary	BEST FINSERVICES PRIVATE LIMITED
3. The date since when subsidiary was acquired	22/11/2016
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Not Applicable
5. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable
6. Share capital	Rs.5,00,00,000/-
7. Reserves and surplus	Rs.98,26,259.20/-
8. Total assets	Rs.6,01,56,071.20/-
9. Total Liabilities	Rs.6,01,56,071.20/-
10. Investments	Nil
11. Turnover	Nil
12. Profit before taxation	Rs.41,16,467/-
13. Provision for taxation	Rs.10,99,480/-
14. Profit after taxation	Rs.30,16,987/-
15. Proposed Dividend	Nil
16. Extent of shareholding (in percentage)	100%

Notes: The following information shall be furnished at the end of the statement:

Names of subsidiaries which are yet to commence operations.

Names of subsidiaries which have been liquidated or sold during the year.

Part B Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - NIL

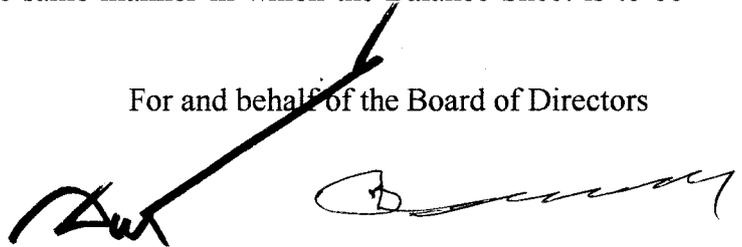
Name of Associates or Joint Ventures	Name1	Name2	Name3
1. Latest audited Balance Sheet Date	NIL	NIL	NIL
2. Date on which the Associate or Joint Venture was associated or acquired	NIL	NIL	NIL
3. Shares of Associate or Joint Ventures held by the company on the year end			
No.	NIL	NIL	NIL
Amount of Investment in Associates or Joint Venture	NIL	NIL	NIL
Extent of Holding (in percentage)	NIL	NIL	NIL
4. Description of how there is significant influence	NIL	NIL	NIL
5. Reason why the associate / joint venture is not consolidated	NIL	NIL	NIL
6. Networth attributable to shareholding as per latest audited Balance Sheet	NIL	NIL	NIL
7. Profit or Loss for the year			
i. Considered in Consolidation	NIL	NIL	NIL
ii. Not Considered in Consolidation	NIL	NIL	NIL

Names of associates or joint ventures which are yet to commence operations. - NIL

Names of associates or joint ventures which have been liquidated or sold during the year. - NIL

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For and behalf of the Board of Directors



Date : 28-06-2024

Place: Tirupur

R. Rajkumar
Managing Director
DIN: 01506017

S. Ramasamy
Director
DIN: 01555694

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h) Foreign VCFs	-	-	-	-	-	-	-	-	-
i) Others (Company)	-	-	-	-	-	-	-	-	-
Sub-Total: (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 Lakh	4	1	5	0.00%	5	-	5	0.00%	-
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	84,150	-	84,150	9.81%	84,150	-	84,150	6.37%	-3.44%
c) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total(B)(2)	84,154	1	84,155	9.81%	84,155	-	84,155	6.37%	-3.44%
Total Public Shareholding: (B)(1)+(B)(2)	84,154	1	84,155	9.81%	84,155	-	84,155	6.37%	-3.44%
C. Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total: (A+B+C)	8,57,499	1	8,57,500	100%	13,20,918	-	13,20,918	100%	-3.44%

ii) Shareholding of Promoters

Sl. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of Shares	% of Shares	% of Shares Pledged/ encumbered	No. of Shares	% of Shares	% of Shares Pledged / encumbered
1	R.Rajkumar	629,655	73.43%	-	10,93,073	82.75%	-
2	R.Dhanapal	143,690	16.76%	-	143,690	10.87%	-

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iii). Changes in Promoters Shareholding (Please specify, if there is no change):

Sl. No	Shareholders Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
01.	R.Rajkumar				
	At the beginning of the year	629,655	73.43%	629,655	73.43%
	Increase / Decrease	4,63,418	9.32%	10,93,073	82.75%
	At the end of the year	-	-	10,93,073	82.75%
02.	R.Dhanapal				
	At the beginning of the year	143,690	16.76%	143,690	16.76%
	Increase / Decrease				-5.89%
	At the end of the year	-	-	143,690	10.87%

iv). Shareholding pattern of top ten shareholders (other than Directors, Promoter, holders of GDRs and ADRs):

Sl. No	For each of top ten shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	S.Ramasamy				
	At the beginning of the year	84,150	9.81%	84,150	6.37%
	Increase / Decrease	-	-	-	-3.44%
	At the end of the year	-	-	84,150	6.37%
2.	R.Arunadevi				
	At the beginning of the year	1	0.00%	1	0.00%
	Increase / Decrease	-	-	-	-
	At the end of the year	-	-	1	0.00%
3	R.Aadhitiya Shivan				
	At the beginning of the year	1	0.00%	1	0.00%
	Increase / Decrease	-	-	-	-
	At the end of the year	-	-	1	0.00%
4	R.Sarvesh				
	At the beginning of the year	1	0.00%	1	0.00%
	Increase / Decrease	-	-	-	-
	At the end of the year	-	-	1	0.00%

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5	D.Narmatha				
	At the beginning of the year	1	0.00%	1	0.00%
	Increase / Decrease	-	-	-	-
	At the end of the year	-	-	1	0.00%
6	D.Aravind				
	At the beginning of the year	1	0.00%	1	0.00%
	Increase / Decrease	-	-	-	-
	At the end of the year	-	-	1	0.00%

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	For each of Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	R.Rajkumar				
	At the beginning of the year	629,655	73.43%	629,655	73.43%
	Increase / Decrease	4,63,418	9.32%	10,93,073	82.75%
	At the end of the year	-	-	10,93,073	82.75%
2.	R.Dhanapal				
	At the beginning of the year	143690	16.76%	143690	16.76%
	Increase / Decrease				-5.89%
	At the end of the year	-	-	143690	16.76%
3.	S.Ramasamy				
	At the beginning of the year	84,150	9.81%	84,150	9.81%
	Increase / Decrease				-3.44%
	At the end of the year	-	-	84,150	9.81%

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment
(in Rupees)

	Secured Loan excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the year				
i) Principal Amount	35,73,44,790	107,59,59,998	-	143,33,04,788
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued	-	-	-	-

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but not due				
Total (i+ii+iii)	35,73,44,790	107,59,59,998	-	143,33,04,788
Changes in Indebtedness during the year				
- Addition	65,02,66,571	16,32,52,856	-	81,35,19,427
- Reduction	-	-	-	-
Net Change	65,02,66,571	16,32,52,856	-	81,35,19,427
Indebtedness at the end of the year				
i)Principal Amount	100,76,11,361	123,92,12,854	-	224,68,24,215
ii)Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	100,76,11,361	123,92,12,854	-	224,68,24,215

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl.No	Particulars of Remuneration	Name of MD/ WTD/Manager	Name of Executive Director	Total Amount
		R.Rajkumar	P.S.Saravanan	
1	Gross Salary			
	a)Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	24,00,000	36,00,000	60,00,000
	b)Value of Perquisites u/s 17(2) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit Others, specify	-	-	-
5	Any Other, specify - Incentive	-	10,00,000	10,00,000
	Total (A)	24,00,000	46,00,000	70,00,000
	Ceiling as per the Act	Not exceeding 10% of the net profit of the Company.		

B.Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent directors	Sampath Duraisamy	Vivek Vasudevan	
	- Fees for attending board committee meeting	100,000	100,000	200,000
	- Commission	-	-	-
	- Others, Specify	-	-	-
	Total (1)	-	-	-
2	Other Non-executive Directors	R.Dhanapal	S.Ramasamy	-
	- Salary & Allowances	-	-	-
	- Commission	-	-	-
	- Others Specify	-	-	-

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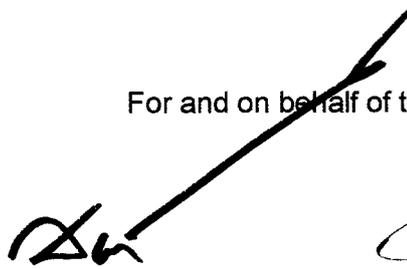
	Total (2)	-	-	-
	Total(B)=(1+2)	-	-	
	Total Managerial Remuneration	-	-	72,00,000
	Ceiling as per the Act	Not exceeding 1% of the net profit of the Company.		

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

Sl.No	Particulars of Remuneration	Key Managerial Personnel		
		S.Gokilamani	----	Total Amount
1	Gross Salary			
	a)Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	9,39,538	-	9,39,538
	b)Value of Perquisites u/s 17(2) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit Others, specify	-	-	-
5	Any Other, specify -Bonus	25000	-	25000
	Total (A)	9,64,538		9,64,538

VII. PENALTY/ PUNISHMENTS/ COMPOUNDING OFFENCES: Nil

For and on behalf of the Board of Directors



R.Rajkumar
Managing Director
DIN: 01506017



S.Ramasamy
Director
DIN: 01555694

Date : 28-06-2024
Place: Tirupur

ANNEXURE - III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

Annual Report on Corporate Social Responsibility (CSR) activities for Financial Year 2023-24

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

The main objective of CSR Policy of BFCL is to create a social impact nationwide by constantly giving back to the community by identifying and facilitating growth in areas which are less privileged. Our CSR activities focus on education, vocational training, promoting health care facilities to economically weaker and underprivileged section of the Society and to do such other activities as may be permissible under Section 135 of the Companies Act, 2013 ('the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('the Rules').

2. The Composition of the CSR Committee is as follows –

a) Mr.R.Rajkumar- Managing Director

b) Mr.R.Dhanapal- Director

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company - Not Applicable

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

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set- off for the financial year, if any (in Rs)
1			
2		NIL	
	TOTAL		

6. Average net profit of the company as per section 135(5) - Rs. /-

Financial Year	Net Profit before Exceptional or Extraordinary items Amount Rs.
2022 - 23	18,35,01,682
2021 - 22	18,67,15,375
2020 - 21	13,28,86,045
Sub-total	50,31,03,102
Average for three years	16,77,01,034
2% of such Net Profits	33,54,021

7. (a) Two percent of average net profit of the company as per section 135(5) – Rs.33,54,021/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – NIL

(c) Amount required to be set off for the financial year, if any – NIL

(d) Total CSR obligation for the financial year (7a+7b-7c) - Rs.33,54,021/-

8 (a) CSR amount spent or unspent for the financial year:

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

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes / No)	State	District	Amount spent for the project	Mode of implementation - Direct (Yes/No).	Name	CSR registration number
1.	Eradicating hunger, poverty & malnutrition, Promoting preventive health care & sanitation, Making	Promoting Preventive health care	Yes	Tamilnadu	Tirupur	33,54,021	No	Best Essar Charitable Trust	CSR00009751

	available safe drinking water								
	TOTAL								

- (d) Amount spent in Administrative Overheads - NIL
- (e) Amount spent on Impact Assessment, if applicable - NIL
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs.33,54,021/-
- (g) Excess amount for set off, if any - NIL

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

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

(in Rs.)

Sl. No.	Preceding financial year	Amount transferred to unspent CSR Account u/s 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years
				Name of the Fund	Amount	Date of transfer	
1.	Not Applicable						
	TOTAL						

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

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

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

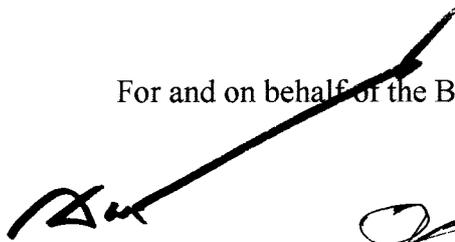
- a. Date of creation or acquisition of the capital asset(s).
- b. Amount of CSR spent for creation or acquisition of capital asset.
- c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- d. Provide details of the capital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

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5).

For and on behalf of the Board of Directors

Date : 28-06-2024

Place: Tirupur



R.Rajkumar
Managing Director
DIN: 01506017



S.Ramasamy
Director
DIN: 01555694

**ALTN and Co.,
Chartered Accountants**

**28(1)/20A, "Sabari Towers"
KRR Layout Main Street, Mangalam Road,
Tirupur – 641 604
Email : altnandco@gmail.com
Phone:0421-4325426**

AUDITOR'S REPORT

To
The Members,
BEST FINANCE CORPORATION LIMITED,
TIRUPUR.

Report on the Standalone financial statements

We have audited the accompanying standalone financial statements of **BEST FINANCE CORPORATION LIMITED**, which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit/loss, and its cash flows for the year ended on that date.

Basis for Opinion

- We conducted our audit 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 Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the standalone financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. 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 and those charged with governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Director's are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditors' report in accordance with 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/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. With respect to clause (e) of Rule 11 of the companies (Audit and Auditors) Amendment Rules, 2021;
 1. The Management has represented, that, to the best of its knowledge and belief, as disclosed in the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 2. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
 - v. In our opinion and according to the information and explanations given to us, there is no dividend declared/paid during the year by the Company.

Place : TIRUPUR
Date : 28.06.2024

For A L T N and Co.,
Chartered Accountants
Firm Regn.No.: 009689S



N.Mohamed Ismail
Partner

(Membership No.208880)
UDIN : 24208880BKDHPA8247

ALTN and Co.,
Chartered Accountants

28(1)/20A, "Sabari Towers"
KRR Layout Main Street, Mangalam Road,
Tirupur – 641 604
Email : altnandco@gmail.com
Phone:0421-4325426

"Annexure A" to the Independent Auditors' Report

Referred to in Paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2024:

- (i) In respect of Property, Plant and Equipment ('PPE')
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - c) The company does not hold any immovable properties and hence clause (c) is not applicable.
 - d) The company has not revalued its Property, Plant and Equipment during the year.
 - e) The Company, no proceedings have been initiated or are pending against the Company as at March 31, 2024, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The Company's nature of operations is such that no inventory is generated and hence physical verification is not required to be done during the year.
- (b) The Company has been sanctioned working capital limits in excess of Rs.5 Crores in aggregate from banks on the basis of security of current assets. In our opinion, the quarterly statements filed with banks are in agreement with the books of account.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

(vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

(vii) In respect of statutory dues:-

a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Good and Service Tax, Sales Tax, Service Tax, duty of customs, duty of excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

c) Details of dues of Provident Fund, Income Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2024 on account of dispute are given below:

Name of the Statute	Nature of dues	Amount (Rs.in lakhs)	Period to which amount	Forum where dispute is pending
EPF & MP Act 1952	Provident Fund	326.84	Period from 09/2014 to 08/2023	Regional P F Commissioner-II, TIRUPUR

(viii) In our opinion and according to the information and explanations given to us, the Company has no any previously unrecorded transaction in the books of account or undisclosed income which is required to be disclosed during the year in the tax assessments under the Income tax act 1961.

(ix) a). In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks or other borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our audit Procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender.

c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of working capital loans for the purpose for which they were obtained.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that funds raised on short-term basis have, prima facie not been utilized for long-term purposes by the Company.

e). According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

- (x) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (xi) a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year by the Statutory Auditors and up to the date of this Report.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
- (xiv) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business. We have considered the report of internal auditors in our detailed audit.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) a). In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly has obtained certificate of registration from the Reserve Bank of India which is valid for the year under review.
- b). The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR.
- c). The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.
- d). As per the information and explanations given to us, there are no core investment companies as defined in the regulations made by the Reserve Bank of India as part of its group and hence the reporting requirements under clause 3 (xvi)(d) of the Order are not applicable.
- (xvii) The Company has not incurred any cash loss during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There was no resignation of the statutory auditors during the year.

- (xix) In our opinion, no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) In respect of other than ongoing projects, the company is not required to transfer unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- (xxi) Base upon the audit procedures performed and the information and explanations given by the management, the company has no qualifications or adverse remarks which was required to be reported in the Companies (Auditor's Report) Order (CARO) reports.

For A L T N and Co.,
Chartered Accountants
Firm Regn.No.: 0096895



N.Mohamed Ismail
Partner
(Membership No.208880)
UDIN : 24208880BKDHPA8247

Place : TIRUPUR
Date : 28.06.2024

**ALTN and Co.,
Chartered Accountants**

**28(1)/20A, "Sabari Towers"
KRR Layout Main Street, Mangalam Road,
Tirupur – 641 604
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"Annexure B" to the Independent Auditor's Report of even date on the Standalone Standalone financial statements of M/s.BEST FINANCE CORPORATION LIMITED

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

We have audited the internal financial controls over financial reporting of **M/S.BEST FINANCE CORPORATION LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone standalone 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

Place : TIRUPUR
Date : 28.06.2024

For A L T N and Co.,
Chartered Accountants
Firm Regn.No.: 009689S



N. Mohamed Ismail
Partner
(Membership No.208880)
UDIN: 24208880BKDHPA8247

BEST FINANCE CORPORATION LIMITED

Regd. Office: 89/2, Padmavathipuram, Avinashi Road, Tirupur-641603

NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2024

1. CORPORATE INFORMATION

The Company "Best Finance Corporation Limited" is a limited company incorporated 13th November, 2009 and domiciled in India and governed by the Companies Act, 2013 ("the Act"). The main activity of the Company is to extend finance against the security of gold jewels and also provide finance to business communities. The Company is registered with the RBI as a non-deposit taking NBFC and hence all the prudential norms applicable with respect to an NBFC relating to recognition of income and classification of assets etc. have been followed during the year.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation and presentation

The Company prepared its standalone financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. The standalone financial statements have been prepared under the historical cost convention. Expenses are accounted on their accrual with necessary provision for all known liabilities and losses.

2.2 REVENUE RECOGNITION

The Company recognises Interest income by applying the effective interest rate (EIR) to the gross carrying amount of a financial asset except for purchased or originated credit-impaired financial assets and other credit-impaired financial assets. Revenue is recognized and expenditure is accounted for on their accrual.

2.3 FINANCIAL INSTRUMENTS

A. Financial Assets

All financial assets are recognised initially at fair value when the parties become party to the contractual provisions of the financial asset. In case of financial assets which are not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets, are adjusted to the fair value on initial recognition.

B. Financial Liability

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables, non-convertible debentures loans and borrowings including bank overdrafts.

2.4 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.5 PROPERTY AND PLANT AND EQUIPMENT

Property and plant and equipment are stated at cost including taxes, duties, freight, insurance etc. related to acquisition and installation. GST (Ineligible portion) were reversed related to the assets purchased in the previous years and added back to the cost of assets.

2.6 DEPRECIATION

Depreciation is provided in accordance with Schedule II of the Companies Act, 2013 ("the Act") under Useful life basis. Depreciation is provided on pro rata basis for the additions during the year.

2.7 INVESTMENTS

Long Terms Investments are carried individually at cost. Current Investments are carried individually at lower of cost and fair value.

2.8 LOAN ASSETS

The Company has adopted norms for classification and provisioning applicable to Non-Banking Finance Companies - Asset Financing Company (NBFC-AFC) as per Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. Accordingly the loan assets have been classified as standard, sub-standard, doubtful and loss accounts. Similarly provisioning for non-performing assets have been done as per the prudential norms. Provision for Standard assets have also been done at 0.25% of the outstanding loan amounts.

2.9 EMPLOYEE BENEFITS

a. Gratuity

The liability for gratuity has been provided as per the provisions of Payment of Gratuity Act, 1972. However, the liabilities created in the books are not funded as on date.

b. Provident Fund & ESI Contribution

The company contributes on monthly basis at the prescribed rates to the provident fund schemes and Employees' State Insurance Schemes administered by the Regional Commissioners, Tamilnadu.

2.10. a) INCOME TAX

Current Tax is determined as the amount of tax payable in respect of taxable income for the period in accordance with the provisions of the Income tax Act, 1961.

b) DEFERRED TAX

Deferred Tax is provided using the Liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.11 IMPAIRMENT OF ASSETS

As at Balance Sheet Date, the carrying amount of assets is tested for impairment so as to determine:

- a. Provision for Impairment Loss, if any, required or
- b. The reversal, if any, required of impairment loss recognized in previous periods.

Impairment Loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

2.12 BORROWING COST

Borrowing cost attributable to the acquisition or construction of qualifying assets are capitalized as a part of such assets. All other borrowing costs are charged off to revenue. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

2.13 DEFERRED REVENUE EXPENDITURE

Preliminary Expenses are written off uniformly over a period of 5 years. Any expenditure incurred for increasing the capital of the Company is charged to revenue in the year in which capital is raised.

2.14 PROVISIONS

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

2.15 Contingent Liabilities and Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The company does not have any contingent assets in the standalone financial statements.

2.16 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.17 EXCEPTIONAL AND EXTRAORDINARY ITEMS

The Unclaimed surplus out of Gold loan Auction amounting to Rs.6,50,044/- has been recognized as income during the year.

BEST FINANCE CORPORATION LIMITED

No.89/2, Padmavathipuram, Avinashi Road, Tirupur 641 603

CIN : U65921TZ2009PLC015595

BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
		In 1000's	In 1000's
EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	1,32,092	85,750
(b) Reserves & Surplus	4	9,47,867	6,40,043
(c) Money received against share warrants		-	-
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings	5	-	-
(b) Deferred tax liabilities (Net)	6	-	2,644
(c) Other long term liabilities		-	-
(d) Long-term provisions	7	7,955	8,407
(4) Current Liabilities			
(a) Short-term borrowings	8	22,46,824	14,33,305
(b) Trade payables	9		
- Total outstanding dues to MSME enterprises		931	823
- Total outstanding dues to other creditors		473	76
(c) Other current liabilities	10	5,145	2,343
(d) Short-term provisions	11	26,702	23,866
TOTAL		33,67,990	21,97,257
ASSETS			
(1) Non-Current assets			
(a) Property, Plant and Equipment	12		
(i) Tangible assets		61,556	58,040
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	13	50,000	50,000
(c) Deferred tax assets (Net)	6	1,778	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	14	34,619	39,191
(e) Short term loans and advances	15	30,11,904	19,18,969
(f) Other current assets	16	2,08,133	1,31,056
TOTAL		33,67,990	21,97,257

See accompanying notes Forming part of Financial statements

In Terms of our report of even date attached

FOR AL TN and Co.,

Chartered Accountants

Firm Reg.No.0096895

CA.N.Mohamed Ismail
Partner

M.No.208880

UDIN: 24208880BKDHPA8247

Place: Tirupur

Date: 28.06.2024

S.GOKILAMANI
Company Secretary

M.No.A59069

S. Ramasamy
Director

DIN: 01555694

R. Rajkumar
Managing Director

DIN: 01506017

Place: Tirupur

Date: 28.06.2024

For and on behalf of the Board of Directors

BEST FINANCE CORPORATION LIMITED

No.89/2, Padmavathipuram, Avinashi Road, Tirupur 641 603

CIN : U65921TZ2009PLC015595

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2024

	Particulars	Note No.	Period ended	Period ended
			31.03.2024	31.03.2023
			In 1000's	In 1000's
	Revenue from Operations			
I	Interest Receipts	17	5,99,483	4,61,318
II	Other Income	18	3,676	2,300
III	Total income (I+II)		6,03,159	4,63,617
IV	EXPENSES			
	Employee Benefit Expenses	19	1,33,494	1,02,998
	Other Expenses	20	70,656	41,361
	Finance Cost	21	1,69,493	1,25,391
	Depreciation and amortisation expenses	12	10,744	10,366
	Total Expenses		3,84,386	2,80,116
V	Profit before Exceptional and Extraordinary items and tax (III - IV)		2,18,773	1,83,502
VI	Exceptional Items		-	-
VII	Profit before Extraordinary items and tax (V - VI)		2,18,773	1,83,502
VIII	Extraordinary Items		-	-
IX	Profit Before Tax		2,18,773	1,83,502
X	Less: Tax Expense			
	(i) Current Tax		58,478	43,831
	(ii) Deferred Tax (Asset) / Liability		(4,422)	6,487
	(iii) Income tax (Previous years)		552	1,216
XI	Profit/(Loss) from continuing Operations (IX - X)		1,64,165	1,31,968
XII	Profit /(Loss) from discontinuing operations		-	-
XIII	Tax Expense of discontinuing Operations		-	-
XIV	Profit/(Loss) from discontinuing Operations after tax (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI+XIV)		1,64,165	1,31,968
	Earnings Per Equity Share			
	(i) Basic		124.28	153.90
	(ii) Diluted		124.28	153.90

See accompanying notes Forming part of Financial statements

In Terms of our report of even date attached

For and on behalf of the Board of Directors

FOR AL TN and Co.,
Chartered Accountants
Firm Reg.No.0096895


CA.N.Mohamed Ismail
Partner
M.No.208880
UDIN: 24208880BKDHPA8247


S.Gokilamani
Company Secretary
M.No.A59069


S. Ramasamy
Director
DIN: 01555694


R. Rajkumar
Managing Director
DIN: 01506017

Place: Tirupur
Date: 28.06.2024

Place: Tirupur
Date: 28.06.2024

BEST FINANCE CORPORATION LIMITED

No.89/2, Padmavathipuram, Avinashi Road, Tirupur 641 603

CIN : U65921TZ2009PLC015595

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.03.2024

PARTICULARS	31.03.2024	31.03.2023
	Amount (In 1000's)	Amount (In 1000's)
Cash Flow from Operating Activities		
Net Profit Before Tax and Extraordinary Items	2,18,773	1,83,502
Adjustments For -		
Depreciation	10,744	10,366
Operating Profit before Changes in Working Capital	2,29,517	1,93,867
(Increase)/ Decrease in Working Capital		
Inventories	-	-
Sundry Debtors	-	-
Loans and Advances	(10,92,934)	(3,84,467)
Other current assets	(77,077)	(34,661)
Increase/ (Decrease) in Liabilities		
Trade Payables	506	(437)
Current Liabilities and provisions	5,637	(2,099)
Income tax Payment	(11,63,868)	(4,21,664)
	(59,030)	(45,047)
Net Cash Flow from Operating Activities	(9,93,381)	(2,72,844)
Cash Flow from Investing Activities		
(Increase) in Non-Current Investments		
Purchase of Fixed Assets	(14,260)	(18,646)
Net Cash Flow from Investing Activities	(14,260)	(18,646)
Cash Flow from Financing Activities		
Increase in Long Term borrowings	-	(1,68,875)
Increase in Short Term Borrowings	8,13,519	4,57,697
Increase in share Capital / Share Premium	1,90,001	-
Increase/(Reduction) of Long term provision	(452)	1,062
Net Cash Flow from Financing Activities	10,03,068	2,89,884
Increase/(Decrease) in Cash and Cash Equivalents (A)+(B)+(C)	(4,573)	(1,606)
Cash and Cash Equivalents as at 1st April 2023 / 2022	39,191	40,797
Cash and Cash Equivalents as at 1st April 2023 / 2024	34,619	39,191
Note: Negative Figures represents Outflows		

See accompanying notes Forming part of Financial statements

In Terms of our report of even date attached

FOR ALTN and Co.,

Chartered Accountants

Firm Reg.No.009689S

CA.N.Mohamed Ismail

Partner

M.No.208880

UDIN: 24208880BKDHPA8247

Place: Tirupur

Date: 28.06.2024

For and on behalf of the Board of Directors

S.Gokilamani
Company Secretary
M.No.A59069S. Ramasamy
Director
DIN: 01555694R. Rajkumar
Managing Director
DIN: 01506017

Place: Tirupur

Date: 28.06.2024

BEST FINANCE CORPORATION LIMITED

CIN : U65921TZ2009PLC015595

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particular's	As at	As at				
	31.03.2024	31.03.2023				
	Amount in 1000's	Amount in 1000's				
3. Share Capital						
Authorised Share Capital						
15,00,000 (Previous Year: 9,00,000) Equity Shares of Rs. 100/- each	1,50,000	90,000				
	1,50,000	90,000				
Issued, Subscribed and Paid up Capital						
13,20,918 (Previous Year: 857,500) Equity Shares of Rs. 100/- each	1,32,092	85,750				
	1,32,092	85,750				
3.(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year						
Particulars	Period ended 31.03.2024	Period ended 31.03.2023				
Number of shares outstanding as the beginning of the year	8,57,500	8,57,500				
Number of shares issued during the year	4,63,418	-				
Number of shares outstanding as at the end of the year	13,20,918	8,57,500				
3.(c) Details of Shareholding:						
2023-2024						
Shareholder	No. of Shares held at the beginning	% if Shares held at the beginning	No. of Shares held at the end	% if Shares held at the end	Number of shares transferred/gifted/issued	% of Change in the shareholding if any
1. Mr. R. Rajkumar	629655	73.43%	1093073	82.75%	4,63,418	9.32%
2. Mr. S. Ramasamy	84150	9.81%	84150	6.37%	-	-
3. Mr. R. Dhanapal	143690	16.76%	143690	10.88%	-	-
4. Mrs. R. Arunadevi	1	0.00%	1	0.00%	-	-
5. Mr. R. Aadhithya Shivan	1	0.00%	1	0.00%	-	-
6. Mr. R. Sarvesh	1	0.00%	1	0.00%	-	-
7. Mrs. D. Narmatha	1	0.00%	1	0.00%	-	-
8. Mr. D. Aravind	1	0.00%	1	0.00%	-	-
Total	857500	100.00%	1320918	100.00%	4,63,418	9.32%
2022-2023						
Shareholder	No. of Shares held at the beginning	% if Shares held at the beginning	No. of Shares held at the end	% if Shares held at the end	Number of shares transferred/gifted/issued	% of Change in the shareholding if any
1. Mr. R. Rajkumar	629655	73.43%	629655	73.43%	-	-
2. Mr. S. Ramasamy	84150	9.81%	84150	9.81%	-	-
3. Mr. R. Dhanapal	143690	16.76%	143690	16.76%	-	-
4. Mrs. R. Arunadevi	1	0.00%	1	0.00%	-	-
5. Mr. R. Aadhithya Shivan	1	0.00%	1	0.00%	-	-
6. Mr. R. Sarvesh	1	0.00%	1	0.00%	-	-
7. Mrs. D. Narmatha	1	0.00%	1	0.00%	-	-
8. Mr. D. Aravind	1	0.00%	1	0.00%	-	-
Total	857500	100.00%	857500	100.00%	-	-
3(d) Shareholding of Promoters:						
Shares held by Promoters at the end of the year				% of change		
Promoter's Name	No. of Shares	% of Shares		during the year		
1. Mr. R. Rajkumar	1093073	82.75%		9.32%		
2. Mr. S. Ramasamy	84150	6.37%		-		
3. Mr. R. Dhanapal	143690	10.88%		-		
Total	1320913	100.00%		9.32%		
Note :- The Company issued only one class of Equity shares having a par value of Rs. 100 per share. Each share holder of Equity share entitled to one vote per share.						

BEST FINANCE CORPORATION LIMITED

CIN : U65921TZ2009PLC015595

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particular's	As at	As at
	31.03.2024	31.03.2023
	Amount in 1000's	Amount in 1000's
4. Reserves & Surplus		
(a) Share Premium		
Opening Balance	1,25,903	1,25,903
Additions during the year	1,43,660	-
Closing Balance	2,69,562	1,25,903
(b) Debenture Redemption Reserve		
Opening Balance	-	16,888
Less:- Transfer to Reserve and Surplus Account	-	16,888
Closing Balance	-	-
(c) Statutory Reserve (As per RBI Act)		
Opening Balance	1,02,877	76,484
Add: Transfer from Profit and Loss Account	32,833	26,394
Closing Balance	1,35,710	1,02,877
(d) Surplus		
Balance Brought forward	4,11,263	2,88,801
Add: Transfer from Debenture Redemption Reserve	-	16,888
Add: Net Profit for the year	1,64,165	1,31,968
	5,75,428	4,37,657
Less: Transfer to Statutory Reserve	32,833	26,394
Less: Transfer to Debenture Redemption Reserve	-	-
Closing Balance	5,42,595	4,11,263
Total	9,47,867	6,40,043
5. Long Term Borrowings		
- Secured		
1. Secured Redeemable Non-Convertible Debentures		
(The Debentures carrying interest ranging 10% / 11.50% p.a. is repayable after 36 months from the date of issue and secured by the charge on the loan receivables of the company)		
Sub-total	Total	Total
	-	-
6. Deferred tax Liability (Net)		
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	(1,213)	(959)
On expenditure deferred in the books but allowable for tax purposes		
Tax effect of items constituting deferred tax liability	(1,213)	(959)
Tax effect of items constituting deferred tax assets	(565)	3,603
Unabsorbed depreciation carry forward to next year		
Tax effect of items constituting deferred tax assets	(565)	3,603
Net Deferred Tax Liabilities / (Asset)	Total	Total
	(1,778)	2,644
7. Long Term Provisions		
Provision for Employee Benefits	7,955	8,407
Total	7,955	8,407

BEST FINANCE CORPORATION LIMITED

CIN : U65921TZ2009PLCO15595

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particular's	As at				
	31.03.2024	31.03.2023			
	Amount in 1000's	Amount in 1000's			
8. Short Term Borrowings					
i. Secured Loans					
Cash Credit from State Bank of India*	10,07,670	3,57,354			
<i>Note: Cash Credit from State Bank of India is secured by current assets of the company (both present and future) - loan receivables and jewels pledged by the borrowers and collaterally secured by immovable properties in the personal names of directors.</i>					
Over Draft from State Bank of India*	(59)	(9)			
Sub-total (i)	10,07,611	3,57,345			
ii. Unsecured Loans					
From Intercorporate & Others	10,32,245	8,88,428			
From Directors and Relatives	2,06,968	1,87,532			
Sub-total (ii)	12,39,213	10,75,960			
Total ((i)+(ii))	22,46,824	14,33,305			
9. Trade Payables					
<i>Outstanding for following period from Due date of Payment</i>					
PARTICULARS	Less than 1 year	1-2 years	2-3 years	Morethan 3 years	Total (In 1000's) 31.03.2024
Undisputed dues					
MSME	871	60	-	-	931
Others	440	34	-	-	473
					1,405
					31.03.2023
Undisputed dues					
MSME	823	-	-	-	823
Others	76	-	-	-	76
					898
10. Other Current Liabilities					
(a) Interest accrued on Debentures					-
(b) Other payables					
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise duty, VAT, Service Tax Etc)					
- TDS payable				1,506	1,152
- ESI - Payable				220	176
- PF- Payable				1,281	363
- CGST payable				98	125
- SGST payable				132	124
(ii) Advance from Customers & others				1,909	404
Total				5,145	2,343
Supplemental Disclosure Note No. 10					
The Advance from customers & others includes the unclaimed Surplus out of Gold loan Auction Outstanding within two years amounting to Rs.11,37,837/-.					
11. Short-Term Provisions					
(a) Provision for Taxation					
Provision for Income tax ((After net of prepaid taxes Rs.49616849)					-
(b) Provision for others					
Audit Fees Payable				225	200
Rent Payable				2,664	2,026
Staff Salary & Bonus Payable				10,683	11,657
Managerial Remuneration Payable				1,374	1,539
Electricity Charges Payable				288	240
CSR Expenses Payable				3,944	3,364
Standard Assets - Provision				7,524	4,840
				26,702	23,866

BEST FINANCE CORPORATION LIMITED

CIN : U65921TZ2009PLC015595

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particular's	As at	
	31.03.2024	31.03.2023
	Amount in 1000's	Amount in 1000's
13. Non- current Investments		
(1) In Subsidiary Company (Unquoted - at cost) - Wholly owned		
Investments in Equity Instruments		
Best FinServices Private Limited (50,00,000 Equity Shares of Rs.10/- each)	50,000	50,000
	50,000	50,000
14. Cash and Cash equivalents		
(i) Cash in Hand	33,967	38,499
(ii) Balances with Scheduled Banks		
- In Current Account	52	92
- In Deposit Account	600	600
	34,619	39,191
Note:-		
- Bank Deposit with more than 12 months maturity.	600	600
15. Short Term Loans and advances		
(a) Loans and advances		
To Related parties (Refer Supplementary note*)	-	10
To Capital goods & Expenses	1,863	273
To Others	-	-
(a)	1,863	283
(b) Loans to Others		
(i) Secured, Considered good (Secured by the pledging of gold jewels and immovable properties)	25,76,435	15,94,318
(i) Secured, Considered good - Business & Mortgage Loan	2,36,792	1,23,678
(ii) Unsecured, Considered good - Business Loan	1,81,336	32,898
(III) Unsecured, Considered good - Personal Loan	16,847	1,67,809
(v) Considered Doubtful (Disputed) - Gold Loan	2,178	1,327
	30,13,589	19,20,029
Less: Provision for Doubtful Advances & Disputed	3,549	1,343
(b)	30,10,040	19,18,686
Total [(A)+(B)]	30,11,904	19,18,969
* Supplementary note to Note no. 15	(Amount in 1000's)	
Type of Borrower	% of advance against total advance	
	2023-24	2022-23
	Amount of advance given	
	2023-24	2022-23
	Balance of advance at the end of FY	
	2023-24	2022-23
1. Vivek Vasudevan (Director)	-	-
	0	10
	-	-
	-	10
16. Other current assets		
(a) Income tax Receivable	3,731	3,813
(b) IGST/CGST/SGST Receivable	1,105	-
(c) Interest accrued on Loans	1,77,527	1,06,821
Other advances		
- Salary Advance	190	56
- Input Tax Credit Receivable	95	19
- Rent Advance	24,296	20,005
- Prepaid Insurance & Expenses	1,019	207
- National Securities Depository Limited	45	45
- Telephone Deposits	22	22
- Commercial Gas Deposits	13	13
- Reliance Retail Ltd Security Deposit	3	3
- Interest Receivable (Fixed Deposit)	89	53
	2,08,133	1,31,056

BEST FINANCE CORPORATION LIMITED

CIN : U65921TZ2009PLC015595

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particular's	As at	As at
	31.03.2024	31.03.2023
	Amount in 1000's	Amount in 1000's
17. Revenue from Operation		
a) Interest received from		
Gold Loan	4,82,053	3,97,389
Business Loan	37,817	25,654
Personal Loan	75,340	38,048
Mortgage Loan	4,273	227
	5,99,483	4,61,318
18. Other income		
Discount Received	0	-
FD Interest Received	36	32
Interest on Income tax refund received	-	-
Other Misc Receipts	3,640	2,268
	3,676	2,300
19. Employee benefit expenses		
Salary	1,02,301	80,342
Incentive Payments	10,964	6,911
Bonus Payments	6,010	3,543
Managerial Remuneration	2,400	2,400
Staff Welfare Expenses	2,835	2,377
Contribution to Gratuity	38	1,390
Contribution to ESI	1,896	1,925
Contribution to PF	5,084	2,368
Sitting Fees	200	-
Wages (Sweeper)	1,765	1,742
	1,33,494	1,02,998
20. other expenses		
Advertisement Charges	945	2,043
Auction Expenses	257	462
Audit Fees	225	200
Bad Debts Written Off	447	276
Boarding & Lodging expenses	409	229
Building Maintenance	1,493	1,053
Computer Maintenance	300	181
Donation	11	111
CSR Expenses	3,933	3,360
Electrical Maintenance	1,457	640
Electrical Maintenance -Service	175	596
Electricity Charges	2,664	2,174
ITC reversal (GST)	2,146	2,045
Internet Charges	4,695	4,360
Insurance	1,704	1,885
Loading & Unloading Charges	151	125
Office Expenses	1,204	687
Pooja Expenses	644	641
Postage & Courier Charges	361	334
Printing & Stationery	3,652	2,821
Professional Charges	1,043	388
Provision for Standard Assets	2,684	966
Provision for Doubtfull Debts & Disputed	2,206	(15,706)

BEST FINANCE CORPORATION LIMITED

CIN : U65921TZ2009PLC015595

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particular's	As at	As at
	31.03.2024	31.03.2023
	Amount in 1000's	Amount in 1000's
Rates & Taxes	885	317
Rent	27,331	23,214
Rounded Off	0	(0)
Subscription Charges	121	16
Telephone Expenses	334	224
Travelling Expenses	3,914	3,132
Vehicle Maintenance	2,748	1,260
Vehicle Maintenance - Motor Car	379	488
Commission	2,140	2,289
Business Promotion Expenses	-	552
	70,656	41,361
21. Finance cost		
Bank Interest	51,903	21,300
<i>Interest on unsecured loans</i>		
On Intercorporate & other corporates	94,639	84,735
On Loans from directors , relatives & others	17,591	14,874
On Non-convertible debentures	-	2,021
Bank Charges	5,361	2,461
	1,69,493	1,25,391

BEST FINANCE CORPORATION LIMITED

Regd. Office: 89/2, Padmavathipuram, Avinashi Road, Tirupur 641603

Other Notes to Accounts for the year ended March 31, 2024**1. Earnings per Equity Share****In Thousands**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net profit / (loss) for the year from continuing operations	1,64,164.69/-	1,31,968.39/-
Less: Preference dividend and tax thereon	Nil	Nil
Net profit / (loss) for the year from continuing operations	1,64,164.69/-	1,31,968.390/-
Weighted average number of equity shares	1320918	857500
Earnings per equity share:		
Basic earnings per share (₹)	124.28	153.90
Diluted earnings per share (₹)	124.28	153.90

2. Remuneration to Directors & Sitting Fees**In Thousands**

Particulars	As at 31.03.2024	As at 31.03.2023
<u>DIRECTORS REMUNERATION</u>		
R.RAJKUMAR	2,400/-	2,400/-
P.SARAVANAN	4,600/-	4,500/-
TOTAL	7,000/-	6,900/-
<u>SITTING FEES</u>		
SAMPATH DURAISAMY	100/-	Nil
VIVEK VASUDEVAN	100/-	Nil
TOTAL	200/-	NIL

3. Capital Adequacy Ratio

Particulars	As at 31.03.2024	As at 31.03.2023
CRAR%	32.90 %	34.43 %
CRAR – Tier I Capital %	32.90 %	34.43 %
CRAR – Tier II Capital %	0.00 %	0.00 %

4. Segment Reporting

The company is primarily engaged in the business of financing against jewels and other securities and accordingly it is operating in a single segment of financing activities only.

5. Corporate Social Responsibility (CSR) [In 1000's]

a) Amount required to be spent during the year	Rs.3,354.02/-
b) Amount Spent during the year	Rs.3,354.02/-
c) Details of related party transactions:	
- Best Essar Charitable Trust	Rs.3,354.02/-
- CSR provision made for the current year	Rs.3,933.20/-

6. Related Party Transactions

As per Accounting Standard 18, the disclosure of transactions with related parties is given:

(i). List of Related Parties where control exists and related parties with whom transactions have taken place and their relationships

<u>Name</u>	<u>Relationship</u>
1. Sri .R. Rajkumar	Director/ Key Management Personnel
2. Sri. R. Dhanapal	Director/ Key Management Personnel
3. Sri. S. Ramasamy	Director/ Key Management Personnel
4. Sri.Vivek Vasudevan	Director/ Key Management Personnel
5. P.S.Saravanan	Director/ Key Management Personnel
6. D.Sampath	Director/ Key Management Personnel
7. Smt. R. Aruna Devi	Relative of Key Management Personnel
8. Smt. D.Narmadha	Relative of Key Management Personnel
9. Sri. R.Aadhithya Shivan	Relative of Key Management Personnel
10. Sri. Sarvesh Rajkumar	Relative of Key Management Personnel
11. Sri .Aravind Dhanapal	Relative of Key Management Personnel
12. Best Corporation Pvt. Limited	Company in which directors are interested as directors
13. Best Aditi Corporation Pvt Ltd	Company in which directors are interested as directors
14. Best Finservices Pvt Ltd	Company in which directors are interested as directors
15. LAN Spin Tex Pvt Ltd	Company in which directors are interested as directors
16. RRD Spin Tex Pvt Ltd	Company in which directors are interested as directors
17. Aravind Shelters (P) Ltd	Company in which directors are interested as directors
18. NDA Property Developers (P) Ltd -	Company in which directors are interested as directors
19. RD Property Developers (India) P Ltd -	Company in which directors are interested as directors
20. RA Property Developers (Tirupur) P Ltd -	Company in which directors are interested as directors
21. Best Knitwear Exports P Ltd -	Company in which directors are interested as directors
22. S.Padma	- Spouse of Director P.S.Saravanan

(ii) Transactions with Related Parties during the year: [In 1000's]

- Managerial Remuneration paid – Rs.7,000/- (Previous Year: Rs.6,900/-)
 - Staff Salary Paid – Rs.3,820.73/- (Previous Year: Rs.4,260/-)
 - Interest Payments – Rs.1,12,229.29/- (Previous Year: Rs.1,00,977.42/-)
 - Loan obtained by the company during the year – Rs.1,90,038.88/- (Previous Year: Rs. 1,33,662.86/-)
7. The Company has recognized the deferred tax liability / (Asset) of (Rs.4,421.50/-) (Previous year: Rs.6,486.55/-) during the year which arose on account of timing difference of depreciation on fixed assets and long term employee benefits.
8. The Company has been granting Loans against gold jewellery and the ratio of outstanding loans to value of Gold as at March 31, 2024 is 67.96% (as at March 31, 2023 is 63.13%).

9. Certain instances of fraud on the company by the borrowers where gold loan related misappropriation have occurred in the past years for amounts aggregating to Rs.202.77 lakhs. As directed by the High Court of Judicature at Chennai, the company had taken legal action under the supervision of a committee of persons consists of judicial persons and officers from Police Department for recovery of the dues. Balance outstanding for recovery as on 31.03.2024 is Rs.21.78 Lacs (Out of which Rs.7.37 Lacs is secured by Gold ornaments was kept by the Company and Gold ornaments for Loan amount Rs.14.41 Lacs/- is under custody of Police department).
10. Under the Micro, Small & Medium Enterprises Development Act, 2006 (MS & MED) which came into force from October 02, 2006, certain disclosure are required to be made relating to Micro, Small & Medium Enterprises (MS&ME) which were duly disclosed to the extent made available.
11. The Company is operating in a single segment, viz., to finance against the security of gold jewellery and properties and also grants unsecured business loans/ personal loans and hence the segmental information is not given.
12. Previous figures have been regrouped wherever necessary to conform to the current year classifications.

13. Movement in provision for doubtful debts as under

	(Amount – 1000s.)	
	<u>31.03.2024</u>	<u>31.03.2023</u>
Opening Balance (A)	13,431.89/-	17,048.86/-
Recoveries from doubtful assets	13,431.89/-	17,048.86/-
Loans written off	Nil	Nil
Net additions during the year:		
Provisions recognized for non-performing assets (B)	3,549.10/-	1343.19/-
Closing Balance	3,549.10/-	1343.19/-

14. Summary of total borrowings, receivables and provisions

	<u>31.03.2024</u>	<u>31.03.2023</u>
A. Total Borrowings	In 1000s	In 1000s
(i). Long term Borrowings		
Secured Loans - Non-convertible Debentures	Nil	Nil
Unsecured Loans	Nil	Nil
(ii). Short term Borrowings		
Secured Loans	10,07,611.36/-	3,57,344.79/-
Unsecured Loans	12,39,212.85/-	10,75,960.00/-
Total	22,46,824.21/-	14,33,304.79/-

In 1000's			
	Particulars	As at 31.03.2024	As at 31.03.2023
	Liability side:		
1.	Loans & Advances availed by the NBFC inclusive of interest accrued thereon but not paid:		
	(a) Debentures: Secured	Nil	Nil
	(b) Unsecured (Other than falling within the meaning of Public deposits)	Nil	Nil
	(c) Deferred Credits	Nil	Nil
	(d) Term Loans	Nil	Nil
	(e) Inter-corporate loans and borrowings	10,32,245.09/-	8,88,428.230/-
	(f) Commercial Paper	Nil	Nil
	(g) Other Loans – from Directors and Relatives	2,06,967.76/-	1,87,531.768/-
2.	Assets Side:		
	Break-up of Loans and Advances including bills receivables (other than those included in (4) below):		
	(a) Secured	28,15,405.879/-	17,19,322.517/-
	(b) Unsecured	1,98,183.619/-	2,00,706.810/-
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	Nil
	(b) Operating Lease	Nil	Nil
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	Nil	Nil
	(b) Repossessed Assets	Nil	Nil
	(iii) Other loans counting towards AFC activities:		
	(a) Loans where assets have been Repossessed	Nil	Nil
	(b) Loans other than (a) above	Nil	Nil

Total Receivables under financing

Category-wise break up

Secured	28,15,405.90/-	17,19,322.51/-
Unsecured	1,98,183.62/-	2,00,706.81/-
Total Receivables	30,13,589.50/-	19,20,029.33/-
Less:-Non-performing assets (Provision)	3,549.10/-	1,343.19/-
Net Loan Book	30,10,040.40/-	19,18,686.14/-

Total Asset Provisions

Provision for doubtful debts	3,549.10/-	1,343.19/-
Provisions against standard assets	7,523.77/-	4,840.20/-
Total	11,072.87/-	6,183.39/-

RBI Disclosures

15. Disclosures pursuant to paragraph 13 of Non-banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Amount – Rs. In lakhs)

Particulars	Gross Loan Outstanding		Provision for assets		Net Loan Outstanding	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Secured Loans (A+B)	28,154.05	17,193.22	105.47	56.38	28,048.58	17,136.84
A)Gold Loans						
Standard Assets	25,627.28	15,808.86	64.07	39.86	25,563.21	15,769.00
Sub-standard Asset	137.07	134.32	13.70	13.43	123.37	120.89
Doubtful Assets	21.78	13.26	21.78	0.00	0.00	13.26
Loss Assets	-	-	-	-	-	-
Total	25,786.13	15,956.44	99.55	53.29	25,686.58	15,903.15
B)other Loans						
Standard Assets	2,367.92	1236.78	5.92	3.09	2,362.00	1233.69
Sub-standard Assets	-	-	-	-	-	-
Doubtful Assets	-	-	-	-	-	-
Loss Assets	-	-	-	-	-	-
Total	2,367.92	1236.78	5.92	3.09	2,362.00	1233.69

Unsecured Loans						
Standard Assets	1,981.84	2007.07	5.25	5.45	1,976.59	2001.62
Sub-standard Assets	-	-	-	-	-	-
Doubtful Assets	-	-	-	-	-	-
Loss Assets	-	-	-	-	-	-
Total	1,981.84	2007.07	5.25	5.45	1,976.59	2001.62

6.	Investor group-wise classification of all investments (current and long term) in Shares and securities (both quoted and unquoted)		
	1.Related Parties		
	(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
7.	Other Information		
	(i) Gross Non-performing assets		
	a) Related Party	Nil	Nil
	b) Other than related Party	Rs.3,549.10/-	Rs.2,669.85/-
	(ii) Net Non-performing assets		
	a) Related Party	Nil	Nil
	b) Other than related Party	Rs.3,549.10/-	Rs.2,669.85/-
	(iii) Asset acquired in satisfaction of debt	Nil	Nil

16. Additional disclosures as required by circular no. DNBS.CC.PD.No.265/03.10.01/2011-12 dated March 21, 2013 issued by the Reserve Bank of India

	<u>2023-24</u>	(Rs. In Lakhs) <u>2022-23</u>
Total Gold Loan portfolio	25,786.14	15,956.45
Total Assets	33,679.90	21,972.57
Gold Loan portfolio as a % of total assets	76.56	72.62

17. The Company has conducted public auction of pledged gold 5 times during the year 2023-24 and realized a total of Rs.8.55 Cr and adjusted the proceeds towards principal and interest outstanding from the borrowers.

18. Ratios

Particulars	31 March 2024	31 March 2023	Changes in ratio (%)	Explanation
Debt equity	2.12	2.03	4.43	-
Return on equity ratio	15%	18%	(17%)	-
Net profit ratio	27.38%	28.46%	(3.79%)	-
Return on capital employed	16.78%	17.14%	(2.10%)	-
Current ratio	Not Applicable		-	-
Debt service coverage ratio	Not Applicable		-	-
Inventory turnover ratio	Not Applicable		-	-
Trade receivables turnover ratio	Not Applicable		-	-
Trade payables turnover ratio	Not Applicable		-	-
Net capital turnover ratio	Not Applicable		-	-
Return on investment	Not Applicable		-	-

Notes:

- (1) The Company is a Non-Banking Financial Company registered under Reserve Bank of India Act, 1934, hence these ratios are not applicable.
- (2) Debt - equity ratio = (Total Outsiders Liability) / Tangible networth, where net worth is aggregate of equity share capital and other equity.
- (3) Return on equity ratio = profit after tax / average net worth
- (4) Net profit ratio = profit after tax / total income

19. Utilisation of borrowed funds and share premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. L. Undisclosed income there are no transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. M. Corporate Social Responsibility (CSR) Refer note 55 N. Details of Crypto Currency or Virtual Currency the Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

20. Undisclosed income

There are no transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

21. Corporate Social Responsibility (CSR)

Refer Note 5.

22. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

In Terms of our report of even date attached
Directors

For and on behalf of the Board of

FOR AL TN and Co.,
Chartered Accountants
Firm Reg.No.009689S



CA.N.Mohamed Ismail
Partner

M.No.208880

UDIN: 24208880BKDHPA8247

Place: Tirupur

Date: 28.06.2024



S.Gokilamani
Company Secretary

M.No.A59069



S. Ramasamy
Director

DIN: 01555694



R. Rajkumar
Managing Director

DIN: 01506017