



**ANNUAL RETURN FOR THE FINANCIAL YEAR 2024 -2025  
FORM MGT-7**

**S M L FINANCE LIMITED**  
**CIN: U65910KL1996PLC010648**  
**Website – [www.smlfinance.com](http://www.smlfinance.com)**

**Registered Office:**

**EL/XV652KMC, Bethani Complex, Thrissur Road,  
Kunnamkulam, Thrissur – 680503  
E-mail: [smlkkm@gmail.com](mailto:smlkkm@gmail.com)  
Ph: 04885 – 214000**

**Corporate Office:**

**SML Building, Edappally,  
Toll Junction, Ernakulam -682024  
E-mail: [info@smlfinance.com](mailto:info@smlfinance.com)  
Ph: 0484 254 0610**

## Form No. MGT-7

### Annual Return (other than OPCs and Small Companies)

[Pursuant to sub-section (1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11 of the Companies (Management and Administration) Rules, 2014]



Form language

☒ English ☐ Hindi

All fields marked in \* are mandatory

Refer instruction kit for filing the form

#### I REGISTRATION AND OTHER DETAILS

i \*Corporate Identity Number (CIN)

U65910KL1996PLC010648

ii (a) \*Financial year for which the annual return is being filed (From date) (DD/MM/YYYY)

01/04/2024

(b) \*Financial year for which the annual return is being filed (To date) (DD/MM/YYYY)

31/03/2025

(c) \*Type of Annual filing

☒ Original

☐ Revised

(d) SRN of MGT-7 filed earlier for the same financial years

iii

Particulars	As on filing date	As on the financial year end date
Name of the company	S M L FINANCE LIMITED	S M L FINANCE LIMITED
Registered office address	EL/XV652KMC BETHANI COMPLEXTHRISSUR ROAD KUNNAMKULAM,NA,THRISSUR,Kerala,India,680 503	EL/XV652KMC BETHANI COMPLEXTHRISSUR ROAD KUNNAMKULAM,NA,THRISSUR,Kerala,India,680 503
Latitude details	10.67664	10.67664
Longitude details	76.071586	76.071586

(a) \*Photograph of the registered office of the Company showing external building and name prominently visible

Photograph of the registered office of the Company.pdf

(b) \*Permanent Account Number (PAN) of the company

AA\*\*\*\*\*1F

(c) \*e-mail ID of the company

\*\*\*\*\*m@gmail.com

(d) \*Telephone number with STD code

80\*\*\*\*\*51



(e) Website	<div style="border: 1px solid black; height: 25px;"></div>									
iv *Date of Incorporation (DD/MM/YYYY)	<div style="border: 1px solid black; padding: 2px;">13/08/1996</div>									
v (a) *Class of Company (as on the financial year end date) <i>(Private company/Public Company/One Person Company)</i>	<div style="border: 1px solid black; padding: 2px;">Public company</div>									
(b) *Category of the Company (as on the financial year end date) <i>(Company limited by shares/Company limited by guarantee/Unlimited company)</i>	<div style="border: 1px solid black; padding: 2px;">Company limited by shares</div>									
(c) *Sub-category of the Company (as on the financial year end date) <i>(Indian Non-Government company/Union Government Company/State Government Company/ Guarantee and association company/Subsidiary of Foreign Company)</i>	<div style="border: 1px solid black; padding: 2px;">Indian Non-Government company</div>									
vi *Whether company is having share capital (as on the financial year end date)	<input checked="" type="radio"/> Yes <input type="radio"/> No									
vii (a) Whether shares listed on recognized Stock Exchange(s)	<input type="radio"/> Yes <input checked="" type="radio"/> No									
(b) Details of stock exchanges where shares are listed										
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">S. No.</th> <th style="width: 55%;">Stock Exchange Name</th> <th style="width: 30%;">Code</th> </tr> </thead> <tbody> <tr> <td style="height: 30px;"></td> <td></td> <td></td> </tr> </tbody> </table>			S. No.	Stock Exchange Name	Code					
S. No.	Stock Exchange Name	Code								
viii Number of Registrar and Transfer Agent	<div style="border: 1px solid black; height: 25px;"></div>									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">CIN of the Registrar and Transfer Agent</th> <th style="width: 25%;">Name of the Registrar and Transfer Agent</th> <th style="width: 25%;">Registered office address of the Registrar and Transfer Agents</th> <th style="width: 25%;">SEBI registration number of Registrar and Transfer Agent</th> </tr> </thead> <tbody> <tr> <td style="height: 30px;"></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			CIN of the Registrar and Transfer Agent	Name of the Registrar and Transfer Agent	Registered office address of the Registrar and Transfer Agents	SEBI registration number of Registrar and Transfer Agent				
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ix * (a) Whether Annual General Meeting (AGM) held	<input checked="" type="radio"/> Yes <input type="radio"/> No									
(b) If yes, date of AGM (DD/MM/YYYY)	<div style="border: 1px solid black; padding: 2px;">30/09/2025</div>									
(c) Due date of AGM (DD/MM/YYYY)	<div style="border: 1px solid black; padding: 2px;">30/09/2025</div>									
(d) Whether any extension for AGM granted	<input type="radio"/> Yes <input checked="" type="radio"/> No									
(e) If yes, provide the Service Request Number (SRN) of the GNL-1 application form filed for extension	<div style="border: 1px solid black; height: 25px;"></div>									
(f) Extended due date of AGM after grant of extension (DD/MM/YYYY)	<div style="border: 1px solid black; height: 25px;"></div>									

(g) Specify the reasons for not holding the same

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

i \*Number of business activities

1

S. No.	Main Activity group code	Description of Main Activity group	Business Activity Code	Description of Business Activity	% of turnover of the company
1	K	Financial and insurance activities	65	Insurance, reinsurance and pension funding, except compulsory social security	100

## III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

i \*No. of Companies for which information is to be given

1

S. No.	CIN /FCRN	Other registration number	Name of the company	Holding/ Subsidiary/Associate/Jo int Venture	% of shares held
1	U65910KL1987PTC004722		VANCHINAD FINANCE PRIVATE LIMITED	Subsidiary	100

## IV SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

### i SHARE CAPITAL

#### (a) Equity share capital

Particulars	Authorised Capital	Issued capital	Subscribed capital	Paid Up capital
Total number of equity shares	130000.00	60302.00	60302.00	60302.00
Total amount of equity shares (in rupees)	130000000.00	60302000.00	60302000.00	60302000.00

Number of classes

1

Class of shares	Authorised Capital	Issued capital	Subscribed Capital	Paid Up capital
Equity				
Number of equity shares	130000	60302	60302	60302
Nominal value per share (in rupees)	1000	1000	1000	1000
Total amount of equity shares (in rupees )	130000000	60302000	60302000	60302000

**(b) Preference share capital**

Particulars	Authorised Capital	Issued capital	Subscribed capital	Paid Up capital
Total number of preference shares	20000.00	0.00	0.00	0.00
Total amount of preference shares (in rupees)	20000000.00	0.00	0.00	0.00

Number of classes

1

Class of shares	Authorised Capital	Issued capital	Subscribed Capital	Paid Up capital
Preference				
Number of preference shares	20000	0	0	0
Nominal value per share (in rupees)	1000	1000	1000	1000
Total amount of preference shares (in rupees )	20000000	0.00	0	0

**(c) Unclassified share capital**

Particulars	Authorised Capital
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Total amount of unclassified shares

0

**(d) Break-up of paid-up share capital**

Particulars	Number of shares			Total Nominal Amount	Total Paid-up amount	Total premium
	Physical	DEMAT	Total			
<b>(i) Equity shares</b>						
<b>At the beginning of the year</b>	0	60302	60302.00	60302000	60302000	
<b>Increase during the year</b>	0.00	0.00	0.00	0.00	0.00	0
i Public Issues	0	0	0.00	0	0	
ii Rights issue	0	0	0.00	0	0	
iii Bonus issue	0	0	0.00	0	0	
iv Private Placement/ Preferential allotment	0	0	0.00	0	0	
v ESOPs	0	0	0.00	0	0	
vi Sweat equity shares allotted	0	0	0.00	0	0	
vii Conversion of Preference share	0	0	0.00	0	0	
viii Conversion of Debentures	0	0	0.00	0	0	
ix GDRs/ADRs	0	0	0.00	0	0	
x Others, specify <div></div>						
<b>Decrease during the year</b>	0.00	0.00	0.00	0.00	0.00	0
i Buy-back of shares	0	0	0.00	0	0	
ii Shares forfeited	0	0	0.00	0	0	
iii Reduction of share capital	0	0	0.00	0	0	
iv Others, specify <div></div>			0			
<b>At the end of the year</b>	0.00	60302.00	60302.00	60302000.00	60302000.00	
<b>(ii) Preference shares</b>						
<b>At the beginning of the year</b>	0	0	0.00	0	0	

Particulars	Number of shares			Total Nominal Amount	Total Paid-up amount	Total premium
<b>Increase during the year</b>	0.00	0.00	0.00	0.00	0.00	0
i Issues of shares	0	0	0.00	0	0	
ii Re-issue of forfeited shares	0	0	0.00	0	0	
iii Others, specify <div></div>			0			
<b>Decrease during the year</b>	0.00	0.00	0.00	0.00	0.00	0
i Redemption of shares	0	0	0.00	0	0	
ii Shares forfeited	0	0	0.00	0	0	
iii Reduction of share capital	0	0	0.00	0	0	
iv Others, specify <div></div>			0			
<b>At the end of the year</b>	0.00	0.00	0.00	0.00	0.00	

ISIN of the equity shares of the company

ii Details of stock split/consolidation during the year (for each class of shares)

0

Class of shares		<div></div>
Before split / Consolidation	Number of shares	
	Face value per share	
After split / consolidation	Number of shares	
	Face value per share	

iii Details of shares/Debentures Transfers since closure date of last financial year (or in the case of the first return at any time since the incorporation of the company)

☒ Nil

Number of transfers

**Attachments:**

1. Details of shares/Debentures Transfers

**iv Debentures (Outstanding as at the end of financial year)****(a) Non-convertible debentures**

\*Number of classes

Classes of non-convertible debentures	Number of units	Nominal value per unit	Total value (Outstanding at the end of the year)
<b>Total</b>			

Classes of non-convertible debentures	Outstanding as at the beginning of the year	Increase during the year	Decrease during the year	Outstanding as at the end of the year
<b>Total</b>				

**(b) Partly convertible debentures**

\*Number of classes

Classes of partly convertible debentures	Number of units	Nominal value per unit	Total value (Outstanding at the end of the year)
<b>Total</b>			

Classes of partly convertible debentures	Outstanding as at the beginning of the year	Increase during the year	Decrease during the year	Outstanding as at the end of the year
<b>Total</b>				

**(c) Fully convertible debentures**

\*Number of classes

0

Classes of fully convertible debentures	Number of units	Nominal value per unit	Total value (Outstanding at the end of the year)
<b>Total</b>			

Classes of fully convertible debentures	Outstanding as at the beginning of the year	Increase during the year	Decrease during the year	Outstanding as at the end of the year
<b>Total</b>				

**(d) Summary of Indebtedness**

Particulars	Outstanding as at the beginning of the year	Increase during the year	Decrease during the year	Outstanding as at the end of the year
Non-convertible debentures	0.00	0.00	0.00	0.00
Partly convertible debentures	0.00	0.00	0.00	0.00
Fully convertible debentures	0.00	0.00	0.00	0.00
<b>Total</b>	0.00	0.00	0.00	0.00

**v Securities (other than shares and debentures)**

0

Type of Securities	Number of Securities	Nominal Value of each Unit	Total Nominal Value	Paid up Value of each Unit	Total Paid up Value
<b>Total</b>					

**V Turnover and net worth of the company (as defined in the Companies Act, 2013)**

i \*Turnover

156236260

ii \* Net worth of the Company

507851520

**VI SHARE HOLDING PATTERN****A Promoters**

S. No	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1	Individual/Hindu Undivided Family				
	(i) Indian	60302	100.00	0	0.00
	(ii) Non-resident Indian (NRI)	0	0.00	0	0.00
	(iii) Foreign national (other than NRI)	0	0.00	0	0.00
2	Government				
	(i) Central Government	0	0.00	0	0.00
	(ii) State Government	0	0.00	0	0.00
	(iii) Government companies	0	0.00	0	0.00
3	Insurance companies	0	0.00	0	0.00
4	Banks	0	0.00	0	0.00
5	Financial institutions	0	0.00	0	0.00
6	Foreign institutional investors	0	0.00	0	0.00
7	Mutual funds	0	0.00	0	0.00
8	Venture capital	0	0.00	0	0.00
9	Body corporate (not mentioned above)	0	0.00	0	0.00



10	Others <div></div>				
	<b>Total</b>	60302.00	100	0.00	0

Total number of shareholders (promoters)

7

## B Public/Other than promoters

S. No	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1	Individual/Hindu Undivided Family				
	(i) Indian	0	0.00	0	0.00
	(ii) Non-resident Indian (NRI)	0	0.00	0	0.00
	(iii) Foreign national (other than NRI)	0	0.00	0	0.00
2	Government				
	(i) Central Government	0	0.00	0	0.00
	(ii) State Government	0	0.00	0	0.00
	(iii) Government companies	0	0.00	0	0.00
3	Insurance companies	0	0.00	0	0.00
4	Banks	0	0.00	0	0.00
5	Financial institutions	0	0.00	0	0.00
6	Foreign institutional investors	0	0.00	0	0.00
7	Mutual funds	0	0.00	0	0.00
8	Venture capital	0	0.00	0	0.00
9	Body corporate (not mentioned above)	0	0.00	0	0.00

10	Others <input type="text"/>				
	<b>Total</b>	0.00	0	0.00	0

Total number of shareholders (other than promoters)

0

Total number of shareholders (Promoters + Public/Other than promoters)

7.00

Breakup of total number of shareholders (Promoters + Other than promoters)

Sl.No	Category	
1	Individual - Female	2
2	Individual - Male	5
3	Individual - Transgender	0
4	Other than individuals	0
	<b>Total</b>	7.00

C Details of Foreign institutional investors' (FIIs) holding shares of the company

Name of the FII	Address	Date of Incorporation	Country of Incorporation	Number of shares held	% of shares held

## VII NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS

[Details of Promoters, Members (other than promoters), Debenture holders]

Details	At the beginning of the year	At the end of the year
Promoters	7	7
Members (other than promoters)	0	0
Debenture holders	463	463

## VIII DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A Composition of Board of Directors

Category	Number of directors at the beginning of the year		Number of directors at the end of the year		Percentage of shares held by directors as at the end of year	
	Executive	Non-executive	Executive	Non-executive	Executive	Non-executive
<b>A Promoter</b>	1	2	1	2	28.7	2.51
<b>B Non-Promoter</b>	1	3	1	2	0.00	0.00
i Non-Independent	1	1	1	1	0	0
ii Independent	0	2	0	1	0	0
<b>C Nominee Directors representing</b>	0	0	0	0	0.00	0.00
i. Banks and FIs	0	0	0	0	0	0
ii Investing institutions	0	0	0	0	0	0
iii Government	0	0	0	0	0	0
iv Small share holders	0	0	0	0	0	0
v Others						
<b>Total</b>	2	5	2	4	28.70	2.51

\*Number of Directors and Key managerial personnel (who is not director) as on the financial year end date

6

## B (i) Details of directors and Key managerial personnel as on the closure of financial year

Name	DIN/PAN	Designation	Number of equity shares held	Date of cessation (after closure of financial year : If any) (DD/MM/YYYY)
GRIGER CHERRY WILLIAMS	00145586	Managing Director	17311	
CHUNGATH CHERU SIMON	00074163	Director	1208	
SUSANNA ISAAC	03296118	Director	309	
JOJO JOSEPH NJEZHU VINKEL	07538990	Director	0	
KOCHERIL ITTOOP VARGHESE	08291568	Director	0	
ABIN M BEHANAN	08712671	Director	0	

**B (ii) \*Particulars of change in director(s) and Key managerial personnel during the year**

1

Name	DIN/PAN	Designation at the beginning / during the financial year	Date of appointment/ change in designation/ cessation (DD/MM/YYYY)	Nature of change (Appointment/ Change in designation/ Cessation)
PUTHUKKUNNATHU KURIAKOSE THANKARAJAN	09770679	Director	17/02/2025	Cessation

**IX MEETINGS OF MEMBERS/CLASS OF MEMBERS/ BOARD/COMMITTEES OF THE BOARD OF DIRECTORS****A MEMBERS/CLASS /REQUISITIONED/NCLT/COURT CONVENED MEETINGS**

\*Number of meetings held

1

Type of meeting	Date of meeting (DD/MM/YYYY)	Total Number of Members entitled to attend meeting	Attendance	
			Number of members attended	% of total shareholding
Annual General Meeting	28/09/2024	7	7	100

**B BOARD MEETINGS**

\*Number of meetings held

7

S.No	Date of meeting (DD/MM/YYYY)	Total Number of directors as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	26/06/2024	7	7	100
2	17/08/2024	7	7	100
3	28/09/2024	7	7	100
4	21/12/2024	7	7	100
5	13/01/2025	7	7	100
6	28/02/2025	7	7	100

7	20/03/2025	7	7	100
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## C COMMITTEE MEETINGS

Number of meetings held

6

S.No	Type of meeting	Date of meeting (DD/MM/YYYY)	Total Number of Members as on the date of meeting	Attendance	
				Number of members attended	% of attendance
1	Nomination and Remuneration Committee	28/09/2024	3	3	100
2	Audit Committee Meeting	26/06/2024	3	3	100
3	Audit Committee Meeting	17/08/2024	3	3	100
4	Audit Committee Meeting	28/09/2024	3	3	100
5	Audit Committee Meeting	21/12/2024	3	3	100
6	Audit Committee Meeting	13/01/2025	3	3	100

## D ATTENDANCE OF DIRECTORS

S. N o	Name of the Director	Board Meetings			Committee Meetings			Whether attended AGM held on
		Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attenda nce	Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attend ance	
								30/09/2025 (Y/N/NA)
1	GRIGER CHERRY WILLIAMS	7	7	100	6	6	100	Yes
2	CHUNGATH CHERU SIMON	7	7	100	6	6	100	Yes
3	SUSANNA ISAAC	7	7	100	6	6	100	Yes
4	JOJO JOSEPH NJEZHUVINKEL	7	7	100	6	6	100	Yes
5	KOCHERIL ITTOOP VARGHESE	7	7	100	6	6	100	Yes

6	ABIN M BEHANAN	7	7	100	6	6	100	Yes
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#### X REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

☐ Nil

A \*Number of Managing Director, Whole-time Directors and/or Manager whose remuneration details to be entered

1

S. No.	Name	Designation	Gross salary	Commission	Stock Option/ Sweat equity	Others	Total amount
1	GRIGER CHERRY VILLIAM	Managing Director	3600000	0	0	0	3600000.00
	<b>Total</b>		3600000.00	0.00	0.00	0.00	3600000.00

B \*Number of CEO, CFO and Company secretary whose remuneration details to be entered

1

S. No.	Name	Designation	Gross salary	Commission	Stock Option/ Sweat equity	Others	Total amount
1	SIBIN PAULSON	CFO	1165000	0	0	0	1165000.00
	<b>Total</b>		1165000.00	0.00	0.00	0.00	1165000.00

C \*Number of other directors whose remuneration details to be entered

1

S. No.	Name	Designation	Gross salary	Commission	Stock Option/ Sweat equity	Others	Total amount
1	JOJO JOSEPH NJEZHU VINKEL	Director	1200000	0	0	0	1200000.00
	<b>Total</b>		1200000.00	0.00	0.00	0.00	1200000.00

#### XI MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES

A \*Whether the company has made compliances and disclosures in respect of applicable provisions of the Companies Act, 2013 during the year

☒ Yes

☐ No

B If No, give reasons/observations

## XII PENALTY AND PUNISHMENT – DETAILS THEREOF

A \*DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY/  
DIRECTORS/OFFICERS

☒ Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order (DD/MM/YYYY)	Name of the Act and section under which penalised / punished	Details of penalty/ punishment	Details of appeal (if any) including present status

B \*DETAILS OF COMPOUNDING OF OFFENCES

☒ Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order (DD/MM/YYYY)	Name of the Act and section under which offence committed	Particulars of offence	Amount of compounding (in rupees)

## XIII Details of Shareholder / Debenture holder

Number of shareholder/ debenture holder

8

## XIV Attachments

(a) List of share holders, debenture holders

Details of Shareholder or  
Debenture holder.xlsm

(b) Optional Attachment(s), if any

## XV COMPLIANCE OF SUB-SECTION (2) OF SECTION 92, IN CASE OF LISTED COMPANIES

In case of a listed company or a company having paid up share capital of Ten Crore rupees or more or turnover of Fifty Crore rupees or more, details of company secretary in whole time practice certifying the annual return in Form MGT-8.

### I/We certify that:

- (a) The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.
- (b) Unless otherwise expressly stated to the contrary elsewhere in this return, the Company has complied with applicable provisions of the Act during the financial year.
- (c) The company has not, since the date of the closure of the last financial year with reference to which the last return was submitted or in the case of a first return since the date of incorporation of the company, issued any invitation to the public to subscribe for any securities of the company.
- (d) Where the annual return discloses the fact that the number of members, (except in case of one person company), of the company exceeds two hundred, the excess consists wholly of persons who under second proviso to clause (ii) of sub-section (68) of section 2 of the Act are not to be included in reckoning the number of two hundred.

I/ We have examined the registers, records and books and papers of  as required to be maintained under the Companies Act, 2013 (the Act) and the rules made thereunder for the financial year ended on (DD/MM/YYYY)

In my/ our opinion and to the best of my information and according to the examinations carried out by me/ us and explanations furnished to me/ us by the company, its officers and agents, I/ we certify that:

A The Annual Return states the facts as at the close of the aforesaid financial year correctly and adequately.

B During the aforesaid financial year the Company has complied with provisions of the Act & Rules made there under in respect of:

- 1 its status under the Act;
- 2 maintenance of registers/records & making entries therein within the time prescribed therefor;
- 3 filing of forms and returns as stated in the annual return, with the Registrar of Companies, Regional Director, Central Government, the Tribunal, Court or other authorities within/beyond the prescribed time;
- 4 calling/ convening/ holding meetings of Board of Directors or its committees, if any, and the meetings of the members of the company on due dates as stated in the annual return in respect of which meetings, proper notices were given and the proceedings including the circular resolutions and resolutions passed by postal ballot, if any, have been properly recorded in the Minute Book/registers maintained for the purpose and the same have been signed;
- 5 closure of Register of Members / Security holders, as the case may be.
- 6 advances/loans to its directors and/or persons or firms or companies referred in section 185 of the Act;
- 7 contracts/arrangements with related parties as specified in section 188 of the Act;
- 8 issue or allotment or transfer or transmission or buy back of securities/ redemption of preference shares or debentures/ alteration or reduction of share capital/ conversion of shares/ securities and issue of security certificates in all instances;
- 9 keeping in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act
- 10 declaration/ payment of dividend; transfer of unpaid/ unclaimed dividend/other amounts as applicable to the Investor Education and Protection Fund in accordance with section 125 of the Act;
- 11 signing of audited financial statement as per the provisions of section 134 of the Act and report of directors is as per sub - sections (3), (4) and (5) thereof;
- 12 constitution/ appointment/ re-appointments/ retirement/ filling up casual vacancies/ disclosures of the Directors, Key Managerial Personnel and the remuneration paid to them;
- 13 appointment/ reappointment/ filling up casual vacancies of auditors as per the provisions of section 139 of the Act;
- 14 approvals required to be taken from the Central Government, Tribunal, Regional Director, Registrar, Court or such other authorities under the various provisions of the Act;
- 15 acceptance/ renewal/ repayment of deposits;
- 16 borrowings from its directors, members, public financial institutions, banks and others and creation/ modification/ satisfaction of charges in that respect, wherever applicable;
- 17 loans and investments or guarantees given or providing of securities to other bodies corporate or persons falling under the provisions of section 186 of the Act ;



18 alteration of the provisions of the Memorandum and/ or Articles of Association of the Company;

To be digitally signed by

Name

Date (DD/MM/YYYY)

Place

Whether associate or fellow:

☐ Associate ☐ Fellow

Certificate of practice number

**XVI Declaration under Rule 9(4) of the Companies (Management and Administration) Rules, 2014**

\*(a) DIN/PAN/Membership number of Designated Person

00145586

\*(b) Name of the Designated Person

GRIGER CHERRY WILLIAMS

**Declaration**

I am authorised by the Board of Directors of the Company vide resolution number\*  dated\*  
(DD/MM/YYYY)  to sign this form and declare that all the requirements of Companies Act, 2013

and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

1 Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.

2 All the required attachments have been completely and legibly attached to this form.

\*To be digitally signed by

\*Designation

(Director /Liquidator/ Interim Resolution Professional (IRP)/Resolution Professional (RP))

Director

\*DIN of the Director; or PAN of the Interim Resolution Professional (IRP) or Resolution Professional (RP) or Liquidator

0\*2\*1\*6\*

**\*To be digitally signed by**

☐ Company Secretary      ☒ Company secretary in practice

**\*Whether associate or fellow:**

☒ Associate      ☐ Fellow

Membership number

Certificate of practice number

1\*7\*2

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**Note: Attention is drawn to provisions of Section 448 and 449 of the Companies Act, 2013 which provide for punishment for false statement / certificate and punishment for false evidence respectively.**

***For office use only:***

eForm Service request number (SRN)

AB9146589

eForm filing date (DD/MM/YYYY)

19/11/2025

**This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company**

**S M L FINANCE LIMITED**  
**EL/xv 652 KMC, Bethani Complex, Thrissur Road, Kunnampulam, Thrissur, Kerala-680503**  
**CIN: U65910K11996P1C010648**  
**Email - smlkkm@gmail.com, Website - www.smlfinance.com**  
**Telephone No: 04885 -214000**

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**NOTICE OF THE 29<sup>TH</sup> ANNUAL GENERAL MEETING**

To

All Members, Directors and Auditors

Notice is hereby given that the 29th Annual General Meeting of the members of S M L FINANCE Limited will be held at the registered office of the company at EL/XV 652 KMC, Bethani Complex, Thrissur Road, Kunnampulam, Thrissur, Kerala -680503 on Tuesday, 30th September 2025, at 05.00 P.M. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as of 31<sup>st</sup> March 2025 and Profit and Loss Statement and Cash Flow Statement for the year ended as on that date, together with Auditor's Report and Directors Report thereon.
2. To appoint a director in place of Smt. Susanna Issac (DIN: 03296118), who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint a director in place of Shri. Chungath Cheru Simon (DIN: 00074163), who retires by rotation and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS**

4. **Regularization of appointment of Shri. T P George (DIN: 11066574) as Independent Director.**  
To consider and if thought fit, to pass with or without modification(s) the following resolution as a  
**ORDINARY RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of section 149,152 and all other applicable provisions, if any, of the Companies Act,2013, and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, Shri. T P George (DIN: 11066574), who was appointed as Independent Director of the company by the Board of Directors at its meeting held on 24<sup>th</sup> April 2025 and who ceases to hold office on the date of this Annual General Meeting as per section 161 of the Companies Act, 2013, be and is hereby appointed as the Independent Director of the Company for a period of 5 years and the period of office of Shri. T P George shall not be subject to retirement by rotation".

**5. Reappointment of Independent Director Mr. Abin M Behanan (DIN: 08712671)**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act'), the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) as amended from time to time, Mr. Abin M Behanan (DIN: 08712671) who was appointed as an Independent Director of the Company for a term of five (5) consecutive years commencing from 31.12.2020 and whose term is expiring on 31.12.2025 and who being eligible for re-appointment as an Independent Director and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term commencing from 01.01.2026 for a further term of five consecutive years.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution

**6. Issue and allotment of Non-Convertible Debentures on private placement basis**

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

**“RESOLVED THAT** pursuant to the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any amendment, modification, variation or re-enactment to any of the forgoing), and applicable circulars issued by Reserve Bank of India, and in compliance with other applicable rules, regulations and guidelines issued by any authority and the provisions of the Memorandum and Articles of Association of the Company, approval of the Members be and is hereby accorded 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), for making offer(s) or invitation(s) to subscribe to secured/Unsecured redeemable Non-Convertible Debentures ('NCDs'), and allot NCDs on a private placement basis not exceeding the stipulated limit of subscribers in one or more tranches, for a period of one year, within the overall outstanding borrowing limits of the Company (hereinafter referred to as 'Debenture issue')”.

**“RESOLVED FURTHER THAT,** for the purpose of giving effect to the foregoing resolution, the Board of Directors be and is hereby authorized to determine the terms of the issue including the class of investors to whom such NCDs are to be issued, time, total amount to be raised by issuance of NCDs, NCDs to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium/discount, prepare offer letters, allotment of securities to successful allottees, to create securities in favour of one or more Trustees and to do all such acts, deeds, filings, matters and things and execute all such deeds, documents, instruments and writings as may be required, with powers on behalf of the Company, to settle all questions, difficulties or doubts that may arise in this regard as the Board of

Directors may in its sole and absolute discretion deem fit and delegate all or any of its powers herein conferred to any Director(s) and/ or officer(s) of the Company, if required, as it may in its absolute discretion deem it necessary or desirable."

For and on behalf of the Board of  
**SML Finance Limited**

Sd/-

Dr. Griger Cherry Williams

**Managing Director**

(DIN: 00145586)

Address: Chungath House,  
Guruvayur Road P.O., Kunnankulam  
Thrissur, Kerala - 680503)

Date: 08/09/2025

Place: Ernakulam

**Notes:**

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in a poll instead of himself and such proxy need not be a member of the Company. A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the company. However, a member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.**
2. **For appointing the proxy the enclosed proxy form duly filled, stamped and signed must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
3. Members/Proxies should bring the Attendance Slip sent herewith, duly filled in and signed and hand over the same at the entrance of the hall for attending the meeting.
4. Members are requested to notify immediately any change in their address including e-mail address to the Registered Office of the Company.
5. Relevancy of question and the order of speakers will be decided by the Chairman. Members are requested to forward in writing to the Company any question on the Accounts, so as to reach the Registered Office one week before the date of the Annual General Meeting.
6. The Explanatory Statement as per the Section 102(1) of the Companies Act, 2013 and Secretarial Standard 2, in respect of item no 4, 5 and 6 set out in the notice is annexed hereto.

**As per the requirement of Secretarial Standard 2, the following information relating to the director to be re-appointed as contained in Item No. 2 and 3**

Particulars	Information	
<b>Name</b>	Susanna Isaac	Chungath Cheru Simon
<b>Age</b>	38	62
<b>Qualification</b>	Graduation	Under Graduation
<b>Experience</b>	More than 14 years of Experience in NBFC business activities and other related matters.	28 years of experience of around in NBFC business activities and other related matters
<b>Terms and conditions of appointment</b>	As per the Resolution at Item No. 2	As per the Resolution at Item No. 3
<b>Remuneration sought to be paid</b>	-	-
<b>Remuneration Last drawn</b>	-	-
<b>Date of first appointment on Board</b>	30/08/2010	05/11/1996
<b>Shareholding in the company</b>	309	1198
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the company</b>	Dr. Griger Cherry Williams (Husband)	-
<b>Number of Meetings of the Board attended during the year</b>	07/07	07/07
<b>Other Directorships, Membership/ Chairmanship of Committees of other Boards</b>	<ul style="list-style-type: none"> <li>• Vanchinad Finance Private Limited - Director</li> <li>• Sangeeth Nidhi Limited-Director</li> <li>• Ayur Bethaniya LLP- Designated Partner</li> <li>• GSV Print and Paper LLP-Partner</li> <li>• Bethaniya Clinic LLP- Partner</li> </ul>	<ul style="list-style-type: none"> <li>• SML Finance Limited- Director</li> <li>• B R D Motors Limited- Director</li> <li>• B R D Car World Limited- Director</li> <li>• BRD Chits Limited- Director</li> <li>• BRD Kuries (India) Limited- Director</li> <li>• B R D Finance Limited – Director</li> <li>• BRD Securities LTD – Director.</li> </ul>

## **STATEMENT TO BE ANNEXED PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **Item No. 4. Regularization of appointment of Shri. T P George as Independent Director**

Based on the recommendation of the Nomination and Remuneration Committee, Shri. T P George was appointed as an Additional Director (Independent Director) of the Company at the Board meeting held on 24.04.2025. As per Section 161 of the Companies Act, 2013 he will cease to hold office on the date of this Annual General Meeting. Considering his experience and ability and benefit which the Company can derive from the association with him, the board recommends his appointment as Independent director of the Company. Hence, this resolution is proposed.

#### **Profile of Shri. T P George**

Shri. T P George graduated with a Bachelor's degree in Physics from the University of Kerala (B.Sc.). He took graduation in Law from Govt. Law College Ernakulam, University of Kerala (LL.B), later took post graduation in Law from Mahatma Gandhi University. He was University rank holder, with specialization in Law of Contracts (LL.M).

34 years of experience in banking sector. He has worked with Federal Bank, Lord Krishna Bank, Centurion Bank and HDFC Bank. In the year 2010 started legal practice as an advocate. Presently, he is also serving as an accredited mediator. Shri. T P George has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

As per section 102(1) of the Companies Act, 2013, none of the directors of the Company are interested in the above resolution except Shri. T P George, being the proposed director.

### **Item No: 5. Reappointment of Independent Director Mr. Abin M Behanan (DIN: 08712671)**

Mr. Abin M Behanan was appointed as an Independent Director of the Company for a term of five (5) consecutive years commencing from 31.12.2020 and whose term is expiring on 31.12.2025 and who being eligible for re-appointment as an Independent Director and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company for a second term commencing from 01.01.2026. Hence, this resolution is proposed.

#### **Profile of Mr. Abin M Behanan**

Mr. Abin M Behanan is a qualified Chartered Accountant with 10 years of experience. He is one of the Partners of VJA & Associates, Chartered Accountants, Cochin.

Mr. Abin M Behanan has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

As per section 102(1) of the Companies Act, 2013, none of the directors of the Company are interested in the above resolution except Mr. Abin M Behanan, being the proposed director.

### **Item No.6.Issue and allotment of secured redeemable Non-Convertible Debentures on private placement basis**

#### **Meaning, Scope and Implication of Item of business:**

"Private Placement" means any offer of securities or invitation to subscribe securities to a select group of persons by a company (other than by way of public offer) through issue of a private placement offer letter and which satisfies the conditions specified in section 42 of the Companies Act, 2013. As per

Section 42 of the Companies Act, 2013 and the rules, to issue non-convertible debentures in an year, under private placement basis, special resolution needs to be passed by the members in their general meeting once in an year, authorizing the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board) to make such issue in one or more series as per the Companies Act, 2013.

As per the provisions of Section 42, 71 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder, a company offering or making an invitation to subscribe secured redeemable Non-Convertible Debentures (NCDs) on a private placement basis is required to be obtained prior approval of members of the company by way of special resolution. Such special resolution would remain valid for a period of 01 (one) year from the date of passing such resolution, for all the offers or invitations for such NCDs to be made during the year.

NCDs issued on private Placement basis constitute an alternative source of borrowing for the company other than traditional borrowings from banks and financial institutions.

It is proposed to offer or invite subscription for NCDs on a private placement basis, in one or more tranches, within the overall outstanding borrowing limits of the company, as approved by the members, with an authority 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), to determine the terms and conditions including the issue price of the NCDs, interest rate, repayment, security or otherwise as it may deem expedient and do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent, or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the resolution. Accordingly, approval of the members is being sought by way of special resolution under section 42 and other applicable provisions, if any of the Act and its rules thereunder.

The board accordingly recommends the special resolution for the approval of members.

As required by section 102(1) of the Companies Act, 2013 none of the Director, Manager, Key managerial personnel and relatives of such Director, Manager and Key Managerial Personnel is interested in the above resolution.

The special business transacted at the meeting of the company does not relate to or affects any other company. So, disclosure pursuant to Sec 102(2) (b) of the Companies Act, 2013 is not applicable.

For and on behalf of the Board of  
**SML Finance Limited**

Date: 08/09/2025  
Place: Ernakulam

Sd/-  
Dr. Griger Cherry Williams  
**Managing Director**  
(DIN: 00145586)  
Address: Chungath House,  
Guruvayur Road P.O., Kunnamkulam  
Thrissur, Kerala - 680503)



**SML FINANCE LIMITED**

Bethany Complex, Thrissur Road, Kunnampulam, Thrissur Dist, - 680503

CIN: U65910KL1996PLC010648

Email – smlkkm@gmail.com

Telephone No: 04885 – 214000

**DIRECTORS' REPORT**

**To,  
The Members**

Your directors are pleased to present the 29<sup>th</sup> Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March 2025.

**1. FINANCIAL RESULTS**

(In Rupees)

<b>Financial Highlights</b>	<b>For the Year Ending 31<sup>st</sup> March 2025 (in Cr)</b>	<b>For the Year Ending 31<sup>st</sup> March 2024 (in Cr)</b>
Total Income	28.77	40.73
Total Expenditure (including Depreciation)	32.66	41.04
Profit/(Loss) before Tax	(3.88)	(0.31)
Tax (including deferred tax and tax related to Prior years)	(0.17)	0.35
Profit/(Loss) after Tax	(3.71)	(0.66)
Earnings per share (Rs. in '000)	Rs. (616.35)	Rs. (110.13)
Share Capital and Reserve & Surplus	50.78	54.50
Total liabilities other than Share capital & Reserve	108.33	119.17
Total Assets	159.11	173.67
Loan Asset Portfolio	100.05	91.14

The consolidated performance of S M L Finance Limited and its Wholly owned Subsidiary Vanchinad Finance Private Limited as per consolidated financial statements is as under:

(In Rupees)

<b>Financial Highlights</b>	<b>For the Year Ending 31<sup>st</sup> March 2025 (in Cr)</b>	<b>For the Year Ending 31<sup>st</sup> March 2024 (in Cr)</b>
Total Income	87.55	97.86
Total Expenditure (including Depreciation)	90.05	90.20
Profit/(Loss) before Tax	(2.50)	7.65
Exceptional item	-	-
Tax (including deferred tax and tax related to Prior years)	0.40	3.59
Profit/(Loss) after tax & Exceptional Item	(2.90)	4.05
Earnings per share(Rs. in '000)	Rs. (482.26)	Rs.673.26

**2. PERFORMANCE REVIEW**

During the Financial Year, the Company has incurred a loss of Rs. 3.71 cr compared to last year's loss of Rs. 0.66 cr. Total Income has decreased to Rs. 28.77 cr for the year ended March 31, 2025, as compared to the total income of Rs.40.73 for the year ended March 31, 2024.

### 3. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Name of the Subsidiary Company: VANCHINAD FINANCE PRIVATE LIMITED (Wholly Owned Subsidiary)  
(In Rupees)

Financial Highlights	For the Year Ending 31 <sup>st</sup> March 2025 (in Cr)	For the Year Ending 31 <sup>st</sup> March 2024 (in Cr)
Total Income	60.44	62.52
Total Expenditure (including Depreciation)	59.06	50.56
Profit/(Loss) before Tax	1.38	11.96
Tax (including deferred tax)	5.75	3.23
Profit/(Loss) after Tax	0.80	8.72
Share Capital and Reserve & Surplus	43.32	42.51
Total liabilities other than Share capital & Reserve	184.04	181.91
Total Assets	227.36	224.43
Loan Asset Portfolio	209.36	209.43

### 4. DIVIDEND

Since the company is into loss, Board is not recommending any Dividend on Equity Shares for the Financial Year.

### 5. CHANGE IN NATURE OF BUSINESS, IF ANY

There is no change in the nature of Business during the Financial Year 2024-25.

### 6. AMOUNTS TRANSFERRED TO RESERVES

During the year under review, the company has not transferred any amount to reserves, since the company is into loss.

### 7. CHANGES IN SHARE CAPITAL DURING THE FINANCIAL YEAR, IF ANY

There was no change in the share capital of the company during the Financial Year 2024-25. As on date of this report, the Authorised share capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 1,30,000 equity shares of Rs. 1000/- each and 20,000 preference shares of Rs.1000/- each. The issued, subscribed and paid-up share capital of the Company as on the date of this report is Rs. 6,03,02,000/- (Rupees Six Crores Three Lakhs Two Thousand only) consisting of 60,302 equity shares of Rs. 1000/- each.

### 8. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

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

### 9. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

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

### 10. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

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

## 11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER BALANCE SHEET DATE TILL THE DATE OF THIS REPORT

There were no other material changes or commitments affecting the financial position of the company after balance sheet date till the date of this report.

## 12. DIRECTORS

The Board of Directors of the Company is duly constituted and the present structure as on the date of this report is as follows:

Sl. No.	Name	Designation	Date of Appointment	DIN	Status-Resident/Non-Resident	Category-Independent / Non-Independent	Executive / non-executive
1.	Griger Cherry Williams	Managing Director	30/09/2001	00145586	Resident	Non-Independent	Executive
2.	Susanna Isaac	Director	30/08/2010	03296118	Resident	Non-Independent	Non-Executive
3.	Chungath Cheru Simon	Director	05/11/1996	00074163	Resident	Non-Independent	Non-Executive
4.	Jojo Joseph Njezhuvinkel	Director	04/08/2016	07538990	Resident	Non-Independent	Non-Executive
5.	Kocheril Ittoop Varghese	Director	06/11/2018	08291568	Resident	Non-Independent	Executive
6.	Abin M Behanan	Independent Director	03/03/2020	08712671	Resident	Independent	Non-Executive
7.	T P George	Independent Director	24/04/2025	11066574	Resident	Non-Independent	Non-Executive

In accordance with the Companies Act 2013, Smt. Susanna Isaac (DIN: 03296118) and Shri. Chungath Cheru Simon (DIN: 00074163) are liable to retire from office by rotation and are eligible for reappointment.

The Board of directors of the Company express their deep condolences at the untimely and sad demise of late P. K. Thankarajan, Independent Director of the company, on 17th February, 2025. He was appointed as an independent director by the Board on 19/11/2022. To fill the casual vacancy raised due to the sad demise of late P. K. Thankarajan, Adv. T P George was appointed as an Independent Director with effect from 24th April, 2025. His appointment as an independent director is regularized in the ensuing Annual General Meeting.

Mr. Abin M Behanan (DIN: 08712671) who was appointed as an Independent Director of the Company for a term of five (5) consecutive years commencing from 31.12.2020 and whose term is expiring on 31.12.2025 and who being eligible for re-appointment and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, hereby recommend to the shareholders' re-appointment of Mr. Abin M Behanan as an Independent Director of the Company, to hold office for a second term commencing from 01.01.2026 for a further term of five consecutive years.

### 13. KEY MANAGERIAL PERSONNEL

The Company has complied with Section 203 of the Companies Act, 2013 and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with regard to appointment of Key Managerial Personnel.

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

There has been change in the constitution of Board of Directors and Key managerial personnel during the year under review.

Name of Director	Position	Date of Appointment/ Resignation	DIN	Appointment/ Resignation/ Change in Designation
P K Thankarajan	Independent Director	17/02/2025	09770679	Cessation
T P George	Independent Director	24/04/2025	11066574	Appointment

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

The Board of Directors conducted seven Board meetings during the year. The dates on which the meetings were held are as follows:

i) 26.06.2024	ii) 17.08.2024	iii) 28.09.2024	iv) 21.12.2024	v) 13.01.2025	vi) 28.02.2025	vii) 12.03.2025
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The maximum time gap between any two meetings was not more than 120 days.

### 16. ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS & LAST ANNUAL GENERAL MEETING:

Name of the Director	Attendance particulars		Shareholding in the Company (Face value of Rs. 1000/- each)
	Board meetings	last AGM (30.09.2024)	
			Equity Shares
Chungath Cheru Simon	07/07	Present	1198
Griger Cherry Williams	07/07	Present	17,311
Susanna Isaac	07/07	Present	309
Jojo Joseph Njezhuvinkel	06/07	Present	-
Kocheril Ittoop Varghese	07/07	Present	-
Abin M Behanan	07/07	Present	-
P K Thankarajan	06/07	Present	-

### 17. INDEPENDENT DIRECTORS & STATEMENT OF DECLARATION

The Company is covered under section 149 (4) of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and have 2 independent Directors. The company has also obtained declaration of Independence from Independent Directors.

### 18. WOMEN DIRECTOR

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

## 19. NOMINATION AND REMUNERATION COMMITTEE & POLICY

The company is covered under section 178 (1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. Nomination and Remuneration Committee consist of following members;

1. CA Abin M Behanan - Chairman (Independent Director)
2. Adv. T P George - Member (Independent Director) (w.e.f. 24.04.2025)
3. Dr. Griger Cherry Williams - Member (Managing Director)
4. Adv. P K Thankaraja – Member (Independent Director) (ceased w.e.f 17.02.2025)

During the Financial Year, 2024-25, meeting of Nomination and Remuneration Committee was held on 28/09/2024.

## 20. DETAILS OF THE REMUNERATION PAID TO EXECUTIVE DIRECTOR FOR THE YEAR

The aggregate of remuneration paid to the executive Directors for the Financial 2024-25 were as follows;

1. Dr. Griger Cherry Williams - Rs. 36,00,000/-

## 21. REMUNERATION PAID TO NON-EXECUTIVE DIRECTORS

The aggregate of salary and perquisites paid for the year ended 31st March 2025 to the Non- Executive Directors of the Company were as follows:

1. Mr. Jojo Joseph Njezhuvinkel - Rs. 12,00,000/-

## 22. AUDIT COMMITTEE

The Company is covered under section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. Audit Committee of the Board consists of following members;

1. CA Abin M Behanan - Chairman (Independent Director)
2. Adv. T P George - Member (Independent Director)
3. Dr. Griger Cherry Williams - Member (Managing Director)
4. Adv. P K Thankaraja – Member (Independent Director) (ceased w.e.f 17.02.2025)

During the Financial Year, 2024-25, meeting of Audit Committee was held on the following dates.

i) 26.06.2024	ii) 17.08.2024	iii) 28.09.2024	iv) 21.12.2024	v) 13.01.2025
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## 23. VIGIL MECHANISM

The company is not required to constitute a vigil mechanism pursuant to the provision of section 177 (9) of the Companies Act, 2013 and Rules framed thereunder.

## 24. STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee with Mrs. Susanna Isaac as Chairperson, Dr. Griger Cherry Williams, Mr. K I Varghese, Mr. Shajan A.D and Mr. Tony K.F as members is formed as per Section 178 of the Companies Act 2013.

The Committee reviews and redress the grievances of stakeholders of the company including the shareholders and investors complaints like transfer of shares, debentures, DEMAT related issues, non-receipt of NCD interest, declared Dividends, etc., besides complaints from Court and various Investor forums. The Committee also oversees the performance of Registrar and Transfer Agents and recommend measures for overall improvement in the quality of investors' services.

During the year under review, there were no complaints received and there were no outstanding complaints as on 31st March 2025. No request for transfer was pending as on 31st March 2025.

## **25. STATUTORY AUDITOR**

M/s. Balan & Co, Chartered Accountant (Firm registration no: 000340S), Aluva, was appointed as the Statutory Auditor of the Company for a period of 5 years from the conclusion of the Annual General Meeting held on 30.09.2024.

## **26. AUDITORS REPORT**

The Report of the Auditors of the Company and notes to accounts are self-explanatory.

## **27. COST AUDITORS**

The Company is not required to appoint Cost Auditor under section 148 of the Companies Act, 2013.

## **28. MAINTENANCE OF COST RECORDS**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.

## **29. SECRETARIAL AUDIT REPORT**

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

## **30. DEPOSITS AND DEBENTURES**

The Company has not accepted any deposits from public during the year. The details of outstanding Debentures and Subordinated Debt are provided herewith;

Total outstanding debentures as on 31.03.2025 was Rs. 37,78,83,000/- and total outstanding subordinated debt as on 31.03.2025 was Rs. 52,73,79,000/-.

## **31. LOANS, GUARANTEES AND INVESTMENTS.**

The Company has neither granted any loans, secured or unsecured to companies, firms or other parties nor made investment within the meaning of Section 186 of the Companies Act, 2013 and rules made there under during the FY 2024-25 except loan to wholly owned subsidiary and guarantee in respect of loan taken by wholly owned subsidiary, which exempted under Section 185 and 186 of the Companies Act, 2013.

Details of total Loans and Advances, Guarantee and investments of the company are included in the Audited Financial Statements.

## **32. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES.**

During FY 2024-25, no company become or ceased to be Subsidiary, Joint Venture or Associates of SML Finance Limited.

As required under Section 129 (3) of the Companies Act, 2013, the consolidated financial statements of the Company along with its subsidiaries is placed before the Annual General Meeting of the Company along with the Financial Statements of the Company.

Further as required under Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statement of Company's subsidiaries, associate companies and joint ventures are to be provided in Form AOC-1 and is set out as **Annexure I** attached hereto and forms part of this report.

### **33. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS**

The Company had entered into related party transactions during the financial year 2024-25. As per Section 134 (3) (h) of the Companies Act, 2013, the particulars of Contracts or Arrangements with related parties within the meaning of Section 188 is provided in the prescribed Form AOC-2 and forms part of this Report as **Annexure II**.

### **34. CORPORATE SOCIAL RESPONSIBILITY**

The Company is not required to carry CSR activities during FY 2024-25.

### **35. EXTRACT OF ANNUAL RETURN**

As required under Section 134(3A) of the Companies Act 2013, Annual Return under Section 92 in the prescribed form is published on the website of the company [www.smlfinance.com](http://www.smlfinance.com).

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

The Company has constituted Internal Complaints Committee and during the Financial Year, there were no cases reported or filed regarding sexual harassment of women at workplace. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **37. FRAUD REPORTING**

During the Financial Year, there were no cases regarding fraud have been reported to the Board/Central Government.

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

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

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

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

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

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

Report on the Internal Financial Control with Reference to the Financial Statements included in the Auditor's Report.

#### **41. FORMAL ANNUAL EVALUATION**

The Company is not covered under Section 134 (3) (p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014 and hence the statement regarding manner adopted for formal annual evaluation is not mandatory. However, company is doing formal annual evaluation of Board of Directors and senior management.

#### **42. RISK MANAGEMENT**

The Company recognizes the importance of risk management and towards this end, the Board of Directors had approved and adopted Risk Management Policy (the 'Policy') for implementation of risk management strategy. The board also constituted a Risk Management Committee for reviewing the systems used to manage, identify and assess risks faced by the Company viz., credit risk, operational risk, liquidity risk, governance risk, interest rate risk etc. For each risks identified in the process, corresponding controls are assessed and procedures are put in place for monitoring, mitigating and reporting risk on a periodic basis.

The following risk management activities were carried out during the financial year:

- A) Assessed and strengthened the Policy for further standardization of risk identification, assessment and governance of risks across the Company.
- B) Assessment of business momentum relative to competition and competitive position in key market segments.
- C) Regularly assessed progress on the execution of strategic decisions, progress on the growth of software enabled services, impact of automation, performance of subsidiary businesses and operating cost optimization.
- D) Regularly assessed the business environment including trend line of key external indicators and internal business indicators such as client concentration.
- E) Reviewed key operational risks and actions based on inputs from external assessments, internal audit findings and incidents. Reviewed operational risk areas including client service delivery and information security.
- F) Monitored key developments in the regulatory environment and its impact in operations of the Company.

#### **43. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Your company's operations do not involve large-scale use of energy. The disclosure of particulars under this head is not applicable as your Company operates in the service sector. Although your company is not large-scale energy user, it acknowledges, the concept of conservation of energy. There were no foreign exchange earnings or outgo for the Company during the financial year.

#### **44. UNSECURED LOAN FROM DIRECTORS AND RELATIVES**

During the Financial year 2024-25, the Company has accepted unsecured loans from directors and their relatives. The Company had also obtained declarations from them, at the time of accepting money, specifying that the amount lend by them was not the fund acquired by borrowing or accepting loan or deposit from others. Details are given below:



Name of the Director/ Relative of Director	Loan outstanding as on 31.03.2024	Loan Accepted During the FY 2024-25	Loan Repaid During FY 2024-25	Loan outstanding as on 31.03.2025
C C WILLIAM VARGHESE	0	1,27,31,600	1,27,31,600	0
SUSANNA GRIGER	27,31,000	10,49,000	0	37,80,000

#### 45. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

#### 46. SECRETARIAL STANDARDS

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

#### 47. RBI GUIDELINES

Your Company has complied with all the applicable regulations prescribed by the Reserve Bank of India from time to time.

#### 48. PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

#### 49. DIFFERENCE IN VALUATION

The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

#### 50. MATERNITY BENEFIT:

The Company affirms that it has duly complied with all provisions of the Maternity Benefit Act, 1961, and has extended all statutory benefits to eligible women employees during the year.

## 51. APPRECIATION

We take this opportunity to thank all regulators including the Ministry of Corporate Affairs, Reserve Bank of India, Registrar of Companies, Income Tax and GST authorities etc for their valuable guidelines and advises for the corporate compliance, social responsibility and growth of the company. We also thank all the employees for their contribution to the growth and success of your Company. We would also like to thank our customers, bankers, shareholders, Investors, debenture holders, Debenture Trustees and business associates for their support during the fiscal

For and on behalf of the Board of  
**SML FINANCE LIMITED**

Sd/-  
Griger Cherry Williams  
**Managing Director**  
(DIN: 00145586)  
Address: Chungath House, Guruvayur Road P.O.,  
Kunnamkulam Thrissur, Kerala - 680503)

Sd/-  
Kocheril Ittoop Varghese  
**Director**  
(DIN: 08291568)  
Address: Flat No. West 127 Federal Park,  
Vennala, Ernakulam, Kerala - 682028)

Place: Ernakulam  
Date: 08/09/2025

## Form AOC-1

(Pursuant to first provision 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 amounts in Rs. and Cr)

Sl. No.	Particulars	Details
1	Name of the subsidiary	VANCHINAD FINANCE PRIVATE LIMITED
	The date since when subsidiary was acquired	31.05.2016
	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A
	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A
	Share capital	25.00
	Reserves & surplus	18.32
	Total assets	227.36
	Total Liabilities	227.36
	Investments	0
	Turnover	58.26
	Profit before taxation	1.38
	Provision for taxation / deferred tax	0.57
	Profit after taxation	0.80
	Proposed Dividend	Nil
	% of shareholding	100%

For and on behalf of the Board of  
**SML FINANCE LIMITED**

Sd/-  
Griger Cherry Williams  
**Managing Director**  
(DIN: 00145586)  
Address: Chungath House, Guruvayur Road P.O.,  
Kunnamkulam Thrissur, Kerala - 680503)

Sd/-  
Kocheril Ittoop Varghese  
**Director**  
(DIN: 08291568)  
Address: Flat No. West 127 Federal Park,  
Vennala, Ernakulam, Kerala - 682028)

Place: Ernakulam  
Date: 08/09/2025

**Form No. AOC -2**

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

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

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

Sl. No: 1	Particulars	Details
a)	Name of the related party & nature of relationship	<b>C C William Varghese</b> Father of Managing Director
b)	Nature of contracts/arrangements/transaction	Rent
c)	Duration of the contracts/arrangements/transaction	Rent agreement
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 37,14,000/-
e)	Date of approval by the Board	21.05.2018
f)	Amount paid as advances, if any	Nil

Sl. No: 2	Particulars	Details
a)	Name of the related party & nature of relationship	<b>BRD Car World Limited</b> (Directors of the company are related)
b)	Nature of contracts/arrangements/transaction	Rent
c)	Duration of the contracts/arrangements/transaction	Rent agreement dated 01.11.2024 for a period of 11 months.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 5,47,930 /-
e)	Date of approval by the Board	28.09.2023
f)	Amount paid as advances, if any	Nil

For and on behalf of the Board of  
**SML FINANCE LIMITED**

Sd/-  
Griger Cherry Williams  
**Managing Director**  
(DIN: 00145586)  
Address: Chungath House, Guruvayur Road P.O.,  
Kunnamkulam Thrissur, Kerala - 680503)

Sd/-  
Kocheril Ittoop Varghese  
**Director**  
(DIN: 08291568)  
Address: Flat No. West 127 Federal Park,  
Vennala, Ernakulam, Kerala - 682028)

Place: Ernakulam  
Date: 08/09/2025



## Independent Auditor's Report

To the Members **SML Finance Limited**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of SML Finance Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025 and their consolidated loss and their consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

#### Emphasis of matter

Regarding non availability of confirmations in respect of debit and/or credit balances of Loans, Advances, Deposits and Current Liabilities. In the absence of such confirmations, any provision to be made for the adverse variation in carrying of amounts of these balances, cannot be quantified, as well as the quantum of adjustment if any, required to be made remains unascertained. (Refer Note No 2.v)

Our opinion is not modified respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter
<b>Assessment of Contingent Liability</b>
There are a number of litigations pending before various forums against the Company and the management's judgement is required for estimating the amount to be disclosed as contingent liability.
We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law. Accordingly, our audit was focused on analyzing the facts of subject matter under consideration and judgments/ interpretation of law involved.
(Refer Note 3.28 to the Consolidated Financial Statements)



## Auditor's Response

### Principal Audit Procedures Performed

The audit procedures included but were not limited to:

- Obtaining a detailed understanding processes and controls of the Management with respect to claims or disputes  
- Performing following procedures on samples selected.
- Understanding the matters by reading the correspondence and communications etc.
- Making Corroborative inquiries with appropriate level of the management personnel including status update, expectation of the outcomes with the basis, and the future course of action contemplated by the Group, and perusing legal opinions, if any, obtained by the management.
- Evaluating the evidence supporting the judgement of the management about possible outcomes and the reasonableness of the estimates.
- Evaluating appropriateness of adequate disclosures in accordance with applicable accounting standards.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and those charged with governance for the Consolidated 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 Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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 Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Boards of Directors of the entities included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the entities included in the Group are also responsible for overseeing the financial reporting process of the Group.



## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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 Consolidated 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 and its subsidiary company which are companies incorporated in India, has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group 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 Consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Statements.

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

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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



## Report on Other Legal and Regulatory Requirements

1. As required by 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 of the Consolidated Financial Statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Group so far as it appears from our examination of those books except for the matters stated in the paragraph 1 (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014;
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d. In our opinion, the aforesaid Consolidated 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 of the Group as on 31st March, 2025 taken on record by the Board of Directors of the Group, none of the directors is disqualified as on 31st March, 2025 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 with reference to Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" attached herewith. Our report expresses a modified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
  - h. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1 (b) above on reporting under Section 143(3)(b) and paragraph 1 (i) (vi) below on reporting under Rule 11(g).
  - i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group—Refer Note 3.28 to the Consolidated financial statements.
    - ii. The Group was not required to recognize a provision as at March 31, 2025 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract including derivative contracts;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended March 31, 2025.
    - iv. (a) The respective Managements of the Company and its subsidiaries have represented that, to the best of their knowledge and belief, 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 or any of such subsidiaries to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



(b) The respective Managements of the Company and its subsidiaries have represented that, to the best of its knowledge and belief, no funds have been received by the Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ; and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

- v. The Group has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- vi. Based on our examination, which included test checks, the Company and its subsidiary has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except in the case of Property Plant and Equipment register maintained in a spreadsheet utility, for which no audit trail facility has been implemented.

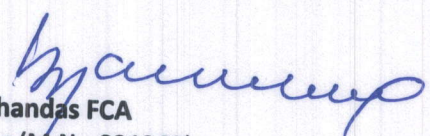
In case of the Holding Company, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct changes for the accounting software used for maintaining the books of account relating to consolidation.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's Reports on the financial statements of Company and its subsidiaries as at and for the year ended March 31, 2025, included in the Consolidated Financial Statements of the Group, we have not reported any qualifications or adverse remarks .



**For Balan & Co.,**  
Chartered Accountants  
ICAI Firm registration number: 000340S

  
**P. Mohandas FCA**  
Partner (M.No.021262)  
UDIN: 25021262BMHZUR1389

Place: Aluva  
Date: 08.09.2025



## **"Annexure A" To the Independent Auditor's Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SML Finance Limited of even date)

### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to Consolidated Financial Statements of SML Finance Limited ("the Company") and its subsidiary companies, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Company's management and Boards of Directors of the Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 internal financial controls with reference to Consolidated Financial Statements of the Company and its subsidiary companies 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 with reference to Consolidated Financial Statements. 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 with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements 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 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 internal financial controls with reference to Consolidated Financial Statements of the Company and its subsidiary companies.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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 with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

According to information's and explanations given to us the following material weakness has been identified as at March 31, 2025:

The Company's ERP is not capable of calculating the NPA provisions along with automatic adjustment of interest reversal as mandated by RBI prudential norms and it requires manual intervention.

A "Material Weakness" is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except to the possible effect of material weakness described above in which case we have extended our audit procedures to cover, the Company and its subsidiary companies have maintained in all material respects, adequate internal financial control system with reference to Consolidated Financial Statements were operating effectively as on March 2025, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.



Place: Aluva  
Date: 08.09.2025

For Balan & Co.,  
Chartered Accountants  
ICAI Firm registration number: 000340S

A handwritten signature in blue ink, appearing to read "P. Mohandas".

P. Mohandas FCA  
Partner (M.No.021262)  
UDIN: 25021262BMHZUR1389



## Independent Auditor's Report

To the Members **SML Finance Limited**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of SML Finance Limited ("the Company"), which comprise the balance sheet as at March 31, 2025, and the statement of Profit and Loss and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2025 and loss and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter

Regarding non availability of confirmations in respect of debit and/or credit balances of Loans, Advances, Deposits and Current Liabilities. In the absence of such confirmations, any provision to be made for the adverse variation in carrying of amounts of these balances, cannot be quantified, as well as the quantum of adjustment if any, required to be made remains unascertained. (Refer Note No 2.u)

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter
<p><b>Assessment of Contingent Liability</b></p> <p>There are a number of litigations pending before various forums against the Company and the management's judgement is required for estimating the amount to be disclosed as contingent liability.</p> <p>We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law. Accordingly, our audit was focused on analyzing the facts of subject matter under consideration and judgments/ interpretation of law involved.</p> <p>(Refer Note 3.28 to the Standalone financial statements)</p>
Auditor's Response
<p><b>Principal Audit Procedures Performed</b></p> <p>The audit procedures included but were not limited to</p> <ul style="list-style-type: none"><li>Obtaining a detailed understanding processes and controls of the Management with respect to claims or disputes - Performing following procedures on samples selected.</li><li>Understanding the matters by reading the correspondence and communications etc.</li></ul>



- Making Corroborative inquiries with appropriate level of the management personnel including status update, expectation of the outcomes with the basis, and the future course of action contemplated by the company, and perusing legal opinions, if any, obtained by the management.
- Evaluating the evidence supporting the judgement of the management about possible outcomes and the reasonableness of the estimates.
- Evaluating appropriateness of adequate disclosures in accordance with applicable accounting standards.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### **Responsibilities 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by 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 except for the matters stated in the paragraph 1 (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014;
  - 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 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 A" attached herewith.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
  - h. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1 (b) above on reporting under Section 143(3)(b) and paragraph 1 (i) (vi) below on reporting under Rule 11(g).

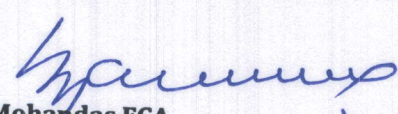


- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements –Refer Note 3.28 to the Standalone financial statements.
  - ii. The Company was not required to recognize a provision as at March 31, 2025 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries .  
  
(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ; and  
  
(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.
  - v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
  - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail ( edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except in the case of Property Plant and Equipment register maintained in a spreadsheet utility, for which no audit trail facility has been implemented. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.
2. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Place: Aluva  
Date: 08.09.2025



For Balan & Co.,  
Chartered Accountants  
ICAI Firm registration number: 000340S

  
P. Mohandas FCA  
Partner (M.No.021262)  
UDIN: 25021262BMHZUE5302



## **"Annexure A" To the Independent Auditor's Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SML Finance Limited of even date)

### **Report on the Internal Financial Controls with reference to Standalone Financials Statements 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 SML Finance Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

According to information's and explanations given to us the following material weakness has been identified as at 31st March 2025:

The company's ERP is not capable of calculating the NPA provisions along with automatic adjustment of interest reversal as mandated by RBI prudential norms and it requires manual intervention.

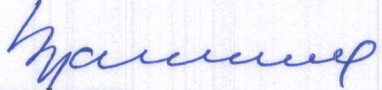
A "Material Weakness" is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except to the possible effect of material weakness described above in which case we have extended our audit procedures to cover, the company has maintained in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 2025, based on internal control over financial reporting criteria established by the company considering the essential components of internal controls stated in the guidance note on Audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India

Place: Aluva  
Date: 08.09.2025



**For Balan & Co.,**  
Chartered Accountants  
ICAI Firm registration number: 000340S

  
**P. Mohandas FCA**  
Partner (M.No.021262)  
UDIN: 25021262BMHZUE5302



**"Annexure B" referred to in clause 2 of paragraph on the 'Report on Other Legal and Regulatory Requirements' of our report of even date**

**In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:**

- (i)
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment. \*
  - (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the Management, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company. \*
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

\* Documents related to the additions in immovable property and infrastructure facilities in the books of accounts consequent to the search and Honorable settlement commission order is not available for verification, we accepted the management representation related to the additions.

- (ii)
  - (a) The Company's business does not involve inventories and, accordingly, the requirements under clause 3 (ii) (a) of the Order are not applicable to the Company and hence not commented upon
  - (b) As disclosed in Note 3.6 to the accompanying standalone financial statements, the Company has been sanctioned working capital limits in excess of 'five crore' in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii)
  - (a) According to the information and explanations given by the management, the principal business of the Company is to give loans. Therefore, in our opinion, the provisions of clause 3(iii)(a) of the Order are not applicable to the Company.
  - (b) According to the information and explanations given by the management and audit procedure performed by us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the principal business of the Company is to give loans, so the irregular repayments or receipts of loans and advances overdue by more than 90 days are as below;



- |  | Number of<br>borrowers | Overdue amount more than<br>90 days (in Crores) |
|--|------------------------|---|
|  | 1552                   | 15.59   |
- (d) According to the information and explanations given by the management and audit procedure performed by us, the total amount overdue for more than ninety days is Rs.15.59 Crores, and the reasonable steps have been taken by the company for recovery of the principal and interest.
- (e) According to the information and explanations given by the management, the principal business of the Company is to give loans. Therefore, in our opinion, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the information and explanations given by the management and audit procedure performed by us, the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. The aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is as below;

Particulars	(Amount in Crores)		
	All Parties	Promoters	Related Parties
<b>Aggregate Amount of loans/ advances in nature of loans</b>			
Repayable on demand (A)	Nil	Nil	0.29
Agreement does not specify any terms or period of repayment (B)	Nil	Nil	Nil
Total (A+B)	Nil	Nil	0.29
Percentage of loans/ advances in nature of loans to the total loans	Not Applicable	Not Applicable	0.29%

- (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 within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, cess, goods and service tax sales-tax, service tax, duty of customs, duty of excise, value added tax and any other statutory dues to the appropriate authorities.

According to the information and explanations given to us and audit procedure performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, cess, sales-tax, service tax, duty of customs, duty of excise, value added tax and other statutory dues referred above were in arrears as at March 31 2025 for a period of more than six months from the date they became payable except for the following:

Nature of Dues	Period to which amount relates	Amount
GST	F.Y. 2024-25	14,068/-

- (b) According to the information and explanations given to us, there are no dues of goods and service tax, provident fund, employees' state insurance, goods and service tax, cess, sales-tax, service tax, duty of customs, value added tax which have not been deposited on account of any dispute, except for the following



Nature of the statute	Nature of Dues	Amount	Period	Forum where pending
Income tax	IT matters under dispute	4.28 crores	01-04-2011 to 31-03-2012	ITAT, Kochi
Income tax	IT matters under dispute	0.14 crores	01-04-2012 to 31-03-2013	ITAT, Kochi

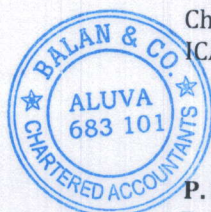
The particulars of dues of income tax as at 31st March, 2025 which have not been fully deposited on account of dispute Refer Note No 3.28 to the financial statements

- (viii) According to the information and explanations given to us and audit procedure performed by us, the Company has not surrendered or disclosed any transaction as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Therefore, the provisions of clause 3(viii) of the Order are not applicable to the Company.
- (ix) (a) In our opinion and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has obtained term loans from the banks and financial institutions and term loans were applied for the purpose for which the loans were obtained
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (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 as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and audit procedure performed by us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies.
- (x) (a) According to the information and explanation given by the Management and audit procedure performed by us, the Company has not raised any money by way of initial public offer or further public offer during the year. Further, monies raised by the Company by way of private placement of non-convertible debentures were applied for the purpose for which those were raised.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, no whistle-blower complaints have been received during the year. Therefore, the provisions of clause 3(xi)(c) of the Order are not applicable to the Company.



- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) To the best of our knowledge and as explained, the Company is not required to have the Internal Auditor system commensurate with the size and nature of its business, Accordingly, clause 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) (a) The company is required and obtained the registration under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) The company has not conducted Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, there is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios disclosed in Note 3.29 to the accompanying financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given by the Management and audit procedures performed by us, the CSR requirement norms mentioned in section 135(1) of the Companies Act 2013 doesn't apply to the company during the year, hence the requirements under clause 3 (xx) of the Order are not applicable to the Company and not commented upon.
- (xxi) The Companies (Auditor's Report) Order (CARO) is reported on the standalone financial statements of the Company. Therefore, the provision of clause 3(xxi) of the Order is not applicable to the Company.

Place: Aluva  
Date: 08.09.2025



**For Balan & Co.,**  
Chartered Accountants  
ICAI Firm registration number: 000340S

*[Signature]*  
**P. Mohandas FCA**  
Partner (M.No.021262)  
UDIN: 25021262BMHZUE5302



## Balance Sheet As At 31st March, 2025

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3.01	60,302.00	60,302.00
(b) Reserves and surplus	3.02	4,47,549.52	4,84,716.69
(c) Money received against share warrants		-	-
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	3.03	8,42,538.00	7,70,870.22
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	3.04	51,920.57	69,229.60
(d) Long-term provisions	3.05	30,393.29	28,610.61
<b>4 Current liabilities</b>			
(a) Short-term borrowings	3.06	1,37,529.82	2,95,579.79
(b) Trade payables		-	-
(c) Other current liabilities	3.07	20,942.70	24,750.86
(d) Short-term provisions	3.08	-	2,710.00
<b>Total</b>		<b>15,91,175.90</b>	<b>17,36,769.78</b>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	3.09	1,79,482.40	1,78,774.76
(ii) Intangible assets	3.09	824.17	1,081.12
(iii) Capital work-inprogress	3.09	-	1,480.63
(iv) Intangible assets under development		-	-
(b) Non-current investments	3.10	2,55,356.88	2,59,495.13
(c) Deferred tax assets (net)	3.11	9,563.82	7,831.50
(d) Long-term loans and advances - Financing activity	3.12	64,537.07	3,13,131.81
(e) Long-term loans and advances	3.13	44,837.47	74,929.93
(f) Other non-current assets	3.14	8,407.19	10,209.37
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Cash and cash equivalents	3.15	25,820.53	42,590.39
(c) Short-term loans and advances - financing activity	3.12	9,36,023.89	5,98,276.63
(d) Short-term loans and advances	3.16	31,438.08	1,49,276.58
(e) Other current assets	3.17	34,884.42	99,691.94
<b>Total</b>		<b>15,91,175.90</b>	<b>17,36,769.78</b>

Summary of significant accounting policies

2

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

In terms of our report attached.

For Balan and Co

Chartered Accountants

ICAI Firm registration number: 000340S

P. Mohandas FCA

Membership no: 021262

Place: Ernakulam

Date : 08/09/2025



For and on behalf of the Board of Directors

SML Finance Limited

Griger Cherry Williams

Managing Director  
[DIN 00145586]

Place: Ernakulam

Date : 08/09/2025

K.I Varghese

Director  
[DIN :08291568]

Sibin Paulson

Chief Financial Officer





## Statement Of Profit And Loss For The Year Ended 31st March 2025

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
I Revenue from operations	3.18	1,56,236.26	2,07,474.49
II Other income	3.19	1,31,547.41	1,99,918.08
III Total Income(I + II)		<b>2,87,783.66</b>	<b>4,07,392.57</b>
IV Expenses			
Employee benefits expense	3.20	77,569.30	67,152.04
Finance Cost	3.21	1,31,272.89	1,42,373.16
Depreciation and amortization expense	3.22	8,481.44	6,861.66
Other expenses	3.23	1,09,359.52	1,94,107.76
Total expenses		<b>3,26,683.15</b>	<b>4,10,494.63</b>
V Profit before exceptional and extraordinary items and tax (III-IV)		<b>(38,899.49)</b>	<b>(3,102.06)</b>
VI Exceptional items		-	-
VII Profit before extraordinary items and tax (V - VI)		<b>(38,899.49)</b>	<b>(3,102.06)</b>
VIII Extraordinary Items		-	-
IX Profit before tax (VII- VIII)		<b>(38,899.49)</b>	<b>(3,102.06)</b>
X Tax expense:	3.24		
- Current tax		-	2,710.00
- Short/(Excess) provision of tax relating to earlier years		-	-
- Deferred tax charge/ (benefit)		(1,732.32)	829.28
Income tax expense		<b>(1,732.32)</b>	<b>3,539.28</b>
XI Profit (Loss) for the period from continuing operations		<b>(37,167.17)</b>	<b>(6,641.34)</b>
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax)		-	-
Profit/ (Loss) (XI + XIV)		<b>(37,167.17)</b>	<b>(6,641.34)</b>
Earnings Per Equity Share ( Basic and Diluted ) [Nominal value of shares Rs.1000 each]	3.25	<b>(616.35)</b>	<b>(110.13)</b>
Weighted average equity shares used in computing earnings per equity share			
- Basic and Diluted		60,302	60,302

Summary of significant accounting policies

2

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

In terms of our report attached.

For Balan and Co

Chartered Accountants

ICAI Firm registration number: 000340S

P. Mohandas FCA

Membership no: 021262

Place: Ernakulam

Date : 08/09/2025



For and on behalf of the Board of Directors

SML Finance Limited

Griger Cherry Williams

Managing Director

[DIN 00145586]

Place: Ernakulam

Date : 08/09/2025

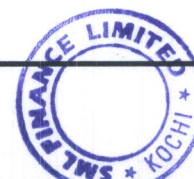
K.I Varghese

Director

[DIN :08291568]

Sibin Paulson

Chief Financial Officer





## Indirect Method Cash Flow Statement For Year Ended 31st March 2025

Particulars	Year ended March 31,	
	2025	2024
<b>Cash Flow From Operating Activities :</b>		
<b>(Loss)/ Profit before tax</b>	(38,899.49)	(3,102.06)
Adjustments to reconcile (loss)/profit before tax to net cash flows:		
Depreciation and amortisation expense	8,481.44	6,861.66
Interest Debited in P & L	1,31,272.89	1,42,373.16
Provision for Standard asset & NPA	1,782.68	5,384.46
Bad Debts written off	39,176.48	1,06,264.82
Loss on Sale of repossessed vehicles	3,861.66	276.50
Dividend	(9.05)	(40,008.29)
Diminision in Value of Investment	4,138.26	26,338.83
Profit on Sale of Assets	(507.61)	(10,709.16)
<b>Operating Profit before Working Capital Changes</b>	<b>1,49,297.26</b>	<b>2,33,679.92</b>
<b>Adjustments for (increase)/decrease in operating assets:</b>		
Loans & Advances - Financing activity	(1,28,329.00)	50,892.63
Loans and Advances	30,092.45	50,000.32
Other Non-Current and Current Assets	62,748.04	(8,314.79)
Short term Loans and Advances	1,11,741.01	(59,392.08)
Inventories and Right of return assets	-	-
<b>Adjustments for increase/(decrease) in operating liabilities:</b>		
Short term borrowings	(1,58,049.97)	(28,608.87)
Trade Payables	-	-
Other current, non-current and refund liabilities	(21,117.19)	(78,392.02)
<b>Cash from operations</b>	<b>46,382.59</b>	<b>1,59,865.11</b>
Income Tax Paid	3,387.49	(8,876.93)
<b>Net Cash From Operating Activities</b>	<b>49,770.08</b>	<b>1,50,988.18</b>
<b>Cash Flow From Investingactivities :</b>		
Acquisition of PPE including intangible, Capital WIP	(7,357.61)	(10,886.53)
Acquisition of Intangible Assets	(190.00)	(535.00)
Proceeds from sale of Property, Plant and Equipment	603.73	20,053.13
Interest Received	-	-
Dividend Received	9.05	40,008.29
<b>Net Cash From Investing Activities</b>	<b>(6,934.83)</b>	<b>48,639.89</b>
<b>Cash Flow From Financing Activities:</b>		
Issue/ (Repayment) of Debentures and Bonds	71,667.78	(53,419.07)
Interest Paid	(1,31,272.89)	(1,42,373.16)
<b>Net cash flows used in financing activities</b>	<b>(59,605.11)</b>	<b>(1,95,792.23)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(16,769.87)</b>	<b>3,835.83</b>
Cash and cash equivalents at the beginning of the year	42,590.39	38,754.56
<b>Cash and cash equivalents at year end [ Note No 3.15 ]</b>	<b>25,820.53</b>	<b>42,590.39</b>

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

In terms of our report attached.

For Balan and Co

Chartered Accountants

ICAI Firm registration number: 0003405

P. Mohandas FCA

Membership no: 021262



Place: Ernakulam

For and on behalf of the Board of Directors

SML Finance Limited

Griger Cherry Williams

Managing Director

[DIN 00145586]

Place: Ernakulam

K. Varghese

Director

[DIN :08291568]

Sibin Paulson

Chief Financial Officer





## 3 Notes on Financial Statements for the year ended 31st March 2025

## 3.01 Share Capital

## i Break up of Share Capital

Particulars	March 31, 2025		March 31, 2024	
	No	Value	No	Value
<b>(a) Authorised</b>				
Equity shares of ₹1000 each	1,30,000	1,30,000.00	1,30,000	1,30,000.00
Preference Shares of ₹1000 each	20,000	20,000.00	20,000	20,000.00
	<b>1,50,000</b>	<b>1,50,000.00</b>	<b>1,50,000</b>	<b>1,50,000.00</b>
<b>(b) Issued, Subscribed &amp; Fully Paid Up</b>				
Equity shares of ₹1000 each	60,302	60,302.00	60,302	60,302.00
<b>Total</b>	<b>60,302</b>	<b>60,302.00</b>	<b>60,302</b>	<b>60,302.00</b>

## ii Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 1000/- per share. Each holder of equity shares is entitled to one vote per share.

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

## iii Rights, preferences and restrictions attached to Preference Shares

The Company has not issued Cumulative Redeemable Non Convertible Preference Shares ("CRNCPS") of face value ₹1000/- each. The CRNCPS holders have a right to receive dividend, prior to equity shareholders. The dividend proposed by the Board of Directors on the CRNCPS is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the preference shareholders are eligible to receive the remaining assets of the Company before distribution to the equity shareholders, in proportion to their shareholding.

## iv Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at March 31, 2025		As at March 31, 2024	
	No	Value	No	Value
At the beginning of the year	60,302	60,302.00	60,302	60,302.00
Increase /(decrease) during the year	-	-	-	-
Outstanding at the end of the year	<b>60,302</b>	<b>60,302.00</b>	<b>60,302</b>	<b>60,302.00</b>

## v Details of Shareholders holding more than 5% Shares

Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	No: of shares held	% of shareholding	No: of shares held	% of shareholding
Equity shares of ₹1000 each fully paid				
C C William Verghese	41,440	68.72%	41,440	68.72%
Dr. Griger Cherry Williams	17,311	28.71%	17,311	28.71%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

## v Disclosure of shareholding of promoters and percentage of change during the year.

Name of shareholder	As at March 31, 2025			As at March 31, 2024		
	No: of shares held	% of shareholding	% Change in Holding	No: of shares held	% of shareholding	% Change in Holding
Equity shares of ₹1000 each fully paid						
C C William Verghese	41,440	68.72%	-	41,440	68.72%	-
Dr. Griger Cherry Williams	17,311	28.71%	-	17,311	28.71%	-
Mary Williams	-	0.00%	-	-	0.00%	-
Simon Cheru C	1,198	1.99%	-0.02%	1,208	2.00%	-
C K Appumon	23	0.04%	-	23	0.04%	-
Susanna Isaac	309	0.51%	-	309	0.51%	-
Mini Simon	11	0.02%	-	11	0.02%	-
Chungath Simon Nirmal	10	0.02%	0.02%	-	0.00%	-



## 3 Notes on Financial Statements for the year ended 31st March 2025

## 3.02 Reserves and surplus

Particulars	As at March 31,	
	2025	2024
<b>Statutory Reserve</b>		
Opening Balance	1,06,594.17	1,06,594.17
Additions during the year		-
<b>Closing Balance</b>	<b>1,06,594.17</b>	<b>1,06,594.17</b>
<b>Security Premium Account:</b>		
Opening Balance	21,198.50	21,198.50
Additions during the year		
<b>Closing Balance</b>	<b>21,198.50</b>	<b>21,198.50</b>
<b>Capital Redemption Reserve</b>		
Opening Balance	14,150.00	14,150.00
Additions during the year		
<b>Closing Balance</b>	<b>14,150.00</b>	<b>14,150.00</b>
<b>Surplus /(Deficit) in Statement of Profit and Loss</b>		
Opening Balance	3,42,774.02	3,49,415.36
Net Profit/(Loss) after tax as per Statement of Profit and Loss	-37,167.17	-6,641.34
Transfer to Statutory Reserve - u/s 45IC of the RBI Act.	-	-
<b>Closing Balance</b>	<b>3,05,606.86</b>	<b>3,42,774.02</b>
<b>Total</b>	<b>4,47,549.52</b>	<b>4,84,716.69</b>

**Nature and purpose of Reserves**i **Securities premium**

This Reserve represents the premium on issue of equity shares. The reserve can be utilised only for the purposes in accordance with the provisions of the Companies Act, 2013.

ii **Statutory reserve**

Statutory Reserve is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934. It requires every non banking finance institution which is a Company to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. The Company has appropriated 20% of the Profit After Tax to the fund for the year.

iii **Capital Redumption Reserve**

Capital profits are those profits which are not earned in the normal course of the business.

iv **General Reserve**

General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.

v **Retained earnings or Surplus**

This reserve represents the cumulative profits of the Company.



## 3 Notes on Financial Statements for the year ended 31st March 2025

## 3.03 Long Term Borrowings

Particulars	As at March 31,	
	2025	2024
<b>Secured Loans</b>		
<b>(a) Non Convertible Debentures</b>	3,45,438.00	3,57,327.00
<b>(b) Term Loans</b>		
From Bank_Term Loans State Bank of India	-	16,498.22
<b>Unsecured Loans</b>		
Subordinated Debt	4,85,028.00	3,76,986.00
Non Convertible Debentures	12,000.00	20,000.00
Loans from Related Parties	72.00	59.00
	<b>8,42,538.00</b>	<b>7,70,870.22</b>
<b>Current Maturity of Long Term Borrowings</b>		
Non Convertible Debentures	20,445.00	1,600.00
Term Loans	9,500.00	22,114.96
Subordinated Debt	42,351.00	2,57,074.00
Loans form Related Parties	3,708.00	2,672.00
	<b>76,004.00</b>	<b>2,83,460.96</b>

## i Nature of Security

## (a) Debentures

- First ranking pari passu charge with existing secured creditors on all movable assets, including book debts and receivables, cash and bank balances, loans and advances, both present and future, of the Company.

- Non Convertible Debentures are secured by way of Hypothecation of Hire Purchase loans in sub branch 2 of Kunnamkulam, Adimali, Edappally, Kattappana 1, Mattanchery, Paravoor, Perumbavoor 1, Vadakkekkad, Thiruvalla, Muvattupuzha, Angamali, Mavelikkara and Kottayam branches; Receivables on account of Personal Loan in Alappuzha, Angamaly, Chanthiroor, Cherthala-2, Guruvayoor, Iringalakkuda, Karthikapally, Kozhinjampara, Mannarkkad, Mannuthy, Mavelikkara-2, Muvattupuzha, Ramanattukara, Thamarassery, Thiruvalla, Thrippunithura, Edappally, Kattapana, Kottayam, Kunnamkulam, Mattanchery, Pathanamthitta, Perumbavoor 1, Thodupuzha, Paravoor, Mavelikkara, Vadakara, Thiruvilwamala, Kuzhalmannam, Nenmara, Harippad, Nedumkandam and Chengannur Branches; Receivables on account of Micro Finance Loan in Ambalapuzha, Nedumkandam, Adimali, Chittur, Kottayam, Cherthala, Guruvayoor, Kollengode, Mannarkkad, Ramanattukara, Vadakara, Thiruvalla, Thripunithara, Ottupara, Vadekkekkad, Kozhinjampara, Alappuzha, Alathur, Thiruvilwamala, Irinjalakuda, Kuzhalmannam, Nenmara, Karthikapally, Mavelikkara, Mepparambu and Edappally branches; Receivables on account Demand Loans in Kunnamkulam and Edappally branch and Receivables on account Mortgage Loan in Edappally Branches; Receivables on account Gold Loan of Kuzhalmannam, Mavelikkara and Angamaly, branches of the Company both present and future, in favour of debenture trustee.

## (b) Term Loans from Banks

- Term loan from State Bank of India, SME Branch, Thrissur is secured on an equitable mortgage created against the immovable properties held in the name of the directors and Relatives

- Vehicle loans are secured by hypothecation of respective vehicles.

Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

There is no continuing default/default as on the date of balance sheet in repayment of loans and interest.





## 3 Notes on Financial Statements for the year ended 31st March 2025

## ii Debt Securities

Particulars	As at March 31,	
	2025	2024
Secured Non-Convertible Debentures - Privately Placed	3,65,883.00	3,58,927.00
Unsecured Non-Convertible Debentures - Privately Placed	12,000.00	20,000.00
Unsecured Convertible Debentures - Privately Placed	-	-
<b>Total</b>	<b>3,77,883.00</b>	<b>3,78,927.00</b>
Borrowings in India	3,77,883.00	3,78,927.00
Borrowings outside India	-	-
<b>Total</b>	<b>3,77,883.00</b>	<b>3,78,927.00</b>

## iii Non Convertible Debentures - Private Placement

## Series wise classification of secured non-convertible debentures

Particulars	Date of allotment	Date of maturity	31.03.2025	31.03.2024
NCD Series-68	25-06-2014	25-06-2024	-	100.00
NCD Series-71	31-03-2015	31-03-2025	-	1,500.00
NCD Series-72	30-04-2015	30-04-2025	1,000.00	1,000.00
NCD Series-73	31-07-2015	31-07-2025	1,000.00	1,000.00
NCD Series-75	28-10-2017	28-10-2027	3,945.00	6,545.00
NCD Series-77	30-12-2017	30-12-2027	5,400.00	6,400.00
NCD Series-78	27-02-2018	27-02-2028	4,000.00	4,500.00
NCD Series-79	31-03-2018	31-03-2028	1,800.00	1,800.00
NCD Series-80	30-12-2017	30-12-2027	2,500.00	2,500.00
NCD Series-82	11-06-2018	11-06-2028	8,290.00	8,890.00
NCD Series-83	23-07-2018	23-07-2028	2,500.00	5,000.00
NCD Series-85	21-07-2018	21-07-2028	11,300.00	12,800.00
NCD Series-86	05-07-2018	05-07-2028	8,312.00	9,712.00
NCD Series-88	23-07-2018	23-07-2028	14,935.00	17,555.00
NCD Series-89	11-08-2018	11-08-2028	4,300.00	4,800.00
NCD Series-90	16-01-2020	16-01-2030	1,400.00	1,400.00
NCD Series-90	03-02-2020	03-02-2030	3,200.00	4,200.00
NCD Series-90	17-02-2020	17-02-2030	1,870.00	1,870.00
NCD Series-90	02-03-2020	02-03-2030	1,700.00	2,500.00
NCD Series-91	16-03-2020	16-03-2030	3,400.00	6,250.00
NCD Series-91	30-04-2020	30-04-2030	2,000.00	2,000.00
NCD Series-93	31-08-2021	31-08-2031	6,750.00	6,750.00
NCD Series-93	16-09-2021	16-09-2031	5,600.00	6,100.00
NCD Series-93	30-09-2021	30-09-2031	7,450.00	10,225.00
NCD Series-94	16-10-2021	16-10-2031	4,100.00	5,000.00
NCD Series-94	30-10-2021	30-10-2031	4,300.00	8,300.00
NCD Series-94	16-11-2021	16-11-2031	7,640.00	8,640.00
NCD Series-94	30-11-2021	30-11-2031	8,650.00	10,150.00
NCD Series-95	28-02-2022	28-02-2032	4,600.00	4,600.00
NCD Series-95	15-03-2022	15-03-2032	5,596.00	5,796.00
NCD Series-95	31-03-2022	31-03-2032	12,212.00	12,412.00
NCD Series-96	16.08.2022	16.08.2032	3,200.00	3,200.00
NCD Series-96	31.08.2022	31.08.2032	6,700.00	7,500.00
NCD Series-96	16.09.2022	16.09.2032	500.00	1,600.00
NCD Series-96	30.09.2022	30.09.2032	3,875.00	5,025.00
NCD Series-97	17.10.2022	17.10.2032	4,300.00	4,900.00
NCD Series-97	31.10.2022	31.10.2032	8,520.00	10,320.00
NCD Series-97	15.11.2022	15.11.2032	3,825.00	4,125.00
NCD Series-97	30.11.2022	30.11.2032	4,700.00	4,700.00
NCD Series-98	15.12.2022	15.12.2032	4,750.00	5,750.00
NCD Series-98	31.12.2022	31.12.2032	2,435.00	2,435.00
NCD Series-98	16.01.2023	16.01.2033	2,800.00	2,800.00
NCD Series-98	31.01.2023	31.01.2033	1,600.00	1,600.00





## 3 Notes on Financial Statements for the year ended 31st March 2025

NCD Series-99	15.03.2023	15.03.2033	15,068.00	17,568.00
NCD Series-99	31.03.2023	31.03.2033	7,403.00	8,173.00
NCD Series-100	03-08-2023	03-08-2033	-	20,000.00
NCD Series-101	16-10-2023	16-10-2033	3,600.00	3,600.00
NCD Series-101	31-10-2023	31-10-2033	6,486.00	6,986.00
NCD Series-101	15-11-2023	15-11-2033	2,200.00	2,200.00
NCD Series-101	30-11-2023	30-11-2033	9,900.00	13,950.00
NCD Series-102	15-12-2023	15-12-2033	5,000.00	5,000.00
NCD Series-102	01-01-2024	01-01-2034	11,600.00	13,300.00
NCD Series-102	16-01-2024	16-01-2034	5,600.00	6,700.00
NCD Series-103	31-01-2024	31-01-2034	8,225.00	8,225.00
NCD Series-104	13-08-2024	13-08-2034	12,000.00	-
NCD Series-104	15-10-2024	15-10-2034	3,100.00	-
NCD Series-104	01-11-2024	01-11-2034	9,000.00	-
NCD Series-104	15-11-2024	15-11-2034	5,850.00	-
NCD Series-105	30-11-2024	30-11-2034	5,850.00	-
NCD Series-105	16-12-2024	16-12-2034	3,700.00	-
NCD Series-105	31-12-2024	31-12-2034	2,200.00	-
NCD Series-105	15-01-2025	15-01-2035	2,800.00	-
NCD Series-106	31-01-2025	31-01-2035	9,800.00	-
NCD Series-106	15-02-2025	15-02-2035	4,855.00	-
NCD Series-106	28-02-2025	28-02-2035	2,100.00	-
NCD Series-106	15-03-2025	15-03-2035	2,790.00	-
NCD Series-106	31-03-2025	31-03-2035	6,801.00	-
<b>Total</b>			<b>3,77,883.00</b>	<b>3,78,927.00</b>

## iv Coupon Rate wise classification of Non Convertible Debentures

Particulars	31.03.2025		31.03.2024	
	No of units	Amount	No of units	Amount
NCD - Coupon Rate -11.5	30,698	30,698.00	37,748	37,748.00
NCD -Coupon Rate-12	78,000	78,000.00	95,325	95,325.00
NCD -Coupon Rate-12.5	1,52,167	1,52,167.00	1,13,241	1,13,241.00
NCD -Coupon Rate-13	87,941	87,941.00	93,036	93,036.00
NCD -Coupon Rate-13.5	17,077	17,077.00	19,577	19,577.00
NCD -Coupon Rate-14.5	12,000	12,000.00	20,000	20,000.00
<b>Total</b>	<b>3,77,883</b>	<b>3,77,883.00</b>	<b>3,78,927</b>	<b>3,78,927.00</b>

## v Maturity wise classification of Non Convertible Debentures

Particulars	As at March 31,	
	2025	2024
<b>Repayable on maturity :</b>		
Maturing beyond 5 years	2,97,031.00	2,94,825.00
Maturing between 3 years to 5 years	11,570.00	80,502.00
Maturing between 1 year to 3 years	45,337.00	2,000.00
<b>Maturing within 1 year</b>	23,945.00	1,600.00
<b>Total</b>	<b>3,77,883.00</b>	<b>3,78,927.00</b>





## 3 Notes on Financial Statements for the year ended 31st March 2025

## vi Subordinated Liabilities

Particulars	As at March 31,	
	2025	2024
<b>At Amortised Cost:</b>		
Subordinated Debts	5,27,379.00	6,34,060.00
<b>Total</b>	<b>5,27,379.00</b>	<b>6,34,060.00</b>
Subordinated liability in India	5,27,379.00	6,34,060.00
Subordinated liability outside India	-	-
<b>Total</b>	<b>5,27,379.00</b>	<b>6,34,060.00</b>

vii Unsecured Subordinated Debt - Private Placement  
Series wise classification of Subordinated Debt

Particulars	Series	31.03.2025		31.03.2024	
		No of units	Amount	No of units	Amount
Sub Ordinate Debts-Cumulative	2023-24	-	-	20	20.00
Sub Ordinate Debts-Cumulative	2024-25	-	-	29,567	29,567.00
Sub Ordinate Debts-Cumulative	2025-26	29,150	29,150.00	29,150	29,150.00
Sub Ordinate Debts-Cumulative	2028-29	6,851	6,851.00	6,851	6,851.00
Sub Ordinate Debts-Cumulative	2029-30	20,411	20,411.00	20,411	20,411.00
Sub Ordinate Debts-Cumulative	2030-31	21,516	21,516.00	-	-
Sub Ordinate Debts-Cumulative (Matured)	-	-	-	115	115.00
Sub Ordinate Debts	2023-24	-	-	-	-
Sub Ordinate Debts	2024-25	-	-	2,24,712	2,24,712.00
Sub Ordinate Debts	2025-26	13,201	13,201.00	13,201	13,201.00
Sub Ordinate Debts	2027-28	53,050	53,050.00	53,050	53,050.00
Sub Ordinate Debts	2028-29	1,90,328	1,90,328.00	1,90,328	1,90,328.00
Sub Ordinate Debts	2029-30	1,26,336	1,26,336.00	63,995	63,995.00
Sub Ordinate Debts	2030-31	66,536	66,536.00	-	-
Sub Ordinate Debts (Matured)	-	-	-	2,660	2,660.00
<b>Total</b>		<b>5,27,379</b>	<b>5,27,379.00</b>	<b>6,34,060</b>	<b>6,34,060.00</b>

## viii Interest Rate wise classification of Subordinated Debt

Particulars	31.03.2025		31.03.2024	
	No of units	Amount	No of units	Amount
Sub Ordinate Debts-Cumulative-16.66%	77,893	77,893.00	86,079	86,079.00
Sub Ordinate Debts-Cumulative-18.18%	20	20.00	20	20.00
Sub Ordinate Debts-Cumulative-19.99%	15	15.00	15	15.00
Sub Ordinate Debts-11%	-	-	27,304	27,304.00
Sub Ordinate Debts-11.5%	-	-	53,892	53,892.00
Sub Ordinate Debts-12%	26,866	26,866.00	1,11,964	1,11,964.00
Sub Ordinate Debts-12.5%	1,66,092	1,66,092.00	1,94,362	1,94,362.00
Sub Ordinate Debts-13%	1,98,265	1,98,265.00	1,28,251	1,28,251.00
Sub Ordinate Debts-13.5%	37,128	37,128.00	21,473	21,473.00
Sub Ordinate Debts-14%	18,600	18,600.00	10,700	10,700.00
Sub Ordinate Debts-15%	2,500	2,500.00	-	-
<b>Total</b>	<b>5,27,379</b>	<b>5,27,379.00</b>	<b>6,34,060</b>	<b>6,34,060.00</b>





## 3 Notes on Financial Statements for the year ended 31st March 2025

## ix Maturity wise classification of Subordinated Debt

Particulars	As at March 31,	
	2025	2024
Repayable on maturity :		
Maturing beyond 5 years	88,052.00	84,406.00
Maturing between 3 years to 5 years	3,43,926.00	2,50,229.00
Maturing between 1 year to 3 years	53,050.00	42,351.00
Maturing within 1 year	42,351.00	2,57,074.00
<b>Total at face value</b>	<b>5,27,379.00</b>	<b>6,34,060.00</b>
Less: Unamortised discounting charges	-	-
<b>Total</b>	<b>5,27,379.00</b>	<b>6,34,060.00</b>

## 3.04 Other Long term Liabilities

Particulars	As at March 31,	
	2025	2024
Trade Payables	-	-
Others		
- Interest accrued but not due on borrowings	51,920.57	69,229.60
<b>Total</b>	<b>51,920.57</b>	<b>69,229.60</b>

## 3.05 Long-term provisions

Particulars	As at March 31,	
	2025	2024
Provision for Employee Benefits		
- Provision for gratuity	-	-
Others		
- Contingent Provision on Standard Asset	2,242.78	2,154.70
- Provision for Non Performing Assets	28,150.51	26,455.91
<b>Total</b>	<b>30,393.29</b>	<b>28,610.61</b>

## 3.06 Short Term Borrowings

Particulars	As at March 31,	
	2025	2024
Loans repayable on demand		
From Banks		
State Bank of India, Thrissur	52,186.37	12,118.83
ICICI Bank OD CC	9,339.45	-
Current Maturity of Long Term Borrowings	76,004.00	2,83,460.96
<b>Total</b>	<b>1,37,529.82</b>	<b>2,95,579.79</b>





## 3 Notes on Financial Statements for the year ended 31st March 2025

**Nature of Security****Loans repayable on demand from Banks****State Bank of India Cash Credit having a limit of 600 Lakhs**

State Bank of India Cash Credit having a limit of 600 Lakhs is secured by First Charge by way of hypothecation of HP/VL receivables of Vaniyamkulam, Thamarassery, Kunnamkulam Sub Branch -1 & 3, Pathanamthitta I, Alathur, Ramanattukara, Mepparambu, Pala, Wandoor and Thodupuzha and Micro Finance Loan & Small Ticket Business loan receivables of Angamaly, Vaniyamkulam, Pattambi, Thamarassery, Pazhayannoor, Vadakkenchery, Muvattupuzha, Piravam and Mannuthy Branch offices of the Company and Personal Loan Receivables of Althur, Mepparambu, Pazhayannoor, Vadakkenchery, Piravam, Kollengode, Ottupara and Vadakkekkad Branch offices of the Company and Gold Loan Receivables of Alathur, Kattappana, Kottayam, Kunnamkulam, Mattanchery, Muvattupuzha, Paravoor, Pathanamthitta I, Perumbavoor I and Thodupuzha Branch offices of the Company and Mortgage on Landed properties

Further, the loan has been guaranteed by the Personal/Corporate guarantee of Directors.

**ICICI OD having a limit of 97 Lakhs**

The ICICI overdraft facility with a limit of Rs 97 lakhs is secured by a fixed deposit of Rs 108.1 Lakhs held with ICICI Bank under account number Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date, the company shall disclose the details of where they have been used.

The quarterly returns /statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of

The company has not been declared as a willful defaulter by any bank or financial institution or other lender.

There is no continuing default/default as on the date of balance sheet in repayment of loans and interest.

3.07 **Other Current Liabilities**

Particulars	As at March 31,	
	2025	2024
Current maturities of finance lease obligations;		
<b>Unclaimed NCD matured</b>	7,211.00	2,575.00
Interest accrued but not due on borrowings;		
Interest accrued and due on borrowings;	3,303.62	2,517.01
Other payables		
- HP Outstanding liabilities	3,063.28	4,490.26
- Statutory remittances	1,574.53	1,637.10
- Salaries and Wages Payable	743.22	6,603.59
- Expenses Payable	5,047.04	6,927.89
- Other Advance	-	-
<b>Total</b>	<b>20,942.70</b>	<b>24,750.86</b>

(i) Statutory dues includes provident fund, employees state insurance, professional tax, withholding taxes and indirect tax payable

3.08 **Short Term Provisions**

Particulars	As at March 31,	
	2025	2024
(a) Provision for employee benefits:	-	-
(b) Provision - Others:		
(i) Provision for Income Tax *	-	2,710.00
<b>Total</b>	<b>-</b>	<b>2,710.00</b>





## 3 - Notes on Financial Statements for the year ended 31st March 2025

## 3.10 Non-current investments

Particulars	As at March 31,	
	2025	2024
Non-trade investments (valued at cost unless stated otherwise):		
Investment in equity instruments (Quoted)		
(i) of subsidiaries		
Vanchinad Finance Pvt Ltd -2,50,00,000 Shares @ Rs.10 [ Previous year 2,50,00,000]	2,50,000.00	2,50,000.00
Investment in equity instruments (Quoted)		
(ii) of other entities		
377 Equity Shares of Muthoot Finance Ltd of Rs.175 each fully paid up	65.98	65.98
Non-trade investments (Valued at cost unless stated otherwise):		
Investment in equity instruments (Un Quoted)		
BRD Securities Ltd	14,265.07	14,265.07
BRD Finance Ltd	4,464.72	4,464.72
BRD Motors Ltd	17,038.20	17,038.20
<b>Total (A) - Gross</b>	<b>2,85,833.97</b>	<b>2,85,833.97</b>
- Investments outside India	-	-
- Investments in India	2,85,833.97	2,85,833.97
<b>Total (B) - Gross</b>	<b>2,85,833.97</b>	<b>2,85,833.97</b>
Less: Impairment loss allowance	30,477.09	26,338.83
<b>Total</b>	<b>2,55,356.88</b>	<b>2,59,495.13</b>

## 3.11 Deferred Tax (Liability) / Assets :

Particulars	As at March 31,	
	2025	2024
<b>Deferred Tax Liability</b>		
Others Gratutiy Fund	-	(1,115.25)
<b>Deferred Tax Asset</b>		
Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	2,195.27	2,288.33
Others - Carried Forward Losses	-	-
Othres -	7,368.55	6,658.42
<b>Net Deffered Tax Assets / (Liabilities)</b>	<b>9,563.82</b>	<b>7,831.50</b>

## 3.12 Long-term loans and advances - Financing Activities

Particulars	As at March 31,	
	2025	2024
<b>Loans and Advances</b>		
Vehicle Loan	1,84,188.28	4,04,781.52
Mortgage Loan	18,813.59	21,882.89
Gold Loan	4,67,942.13	2,28,503.24
Personal Loans	1,35,370.02	1,11,849.84
Micro Finance Loan	1,76,784.40	1,44,390.95
Traders Loan	17,462.54	-
<b>Total - Gross Amount</b>	<b>10,00,560.96</b>	<b>9,11,408.44</b>
Secured by Securities and Assets	6,70,944.00	6,55,167.64
Covered by Bank/Government	-	-
Unsecured	3,29,616.96	2,56,240.79
<b>Total - Gross Amount</b>	<b>10,00,560.96</b>	<b>9,11,408.44</b>
<b>Loans in India</b>		
Public Sector	-	-
Other	10,00,560.96	9,11,408.44
<b>Total - Gross Amount</b>	<b>10,00,560.96</b>	<b>9,11,408.44</b>





## 3 Notes on Financial Statements for the year ended 31st March 2025

## i Loans and advances - Financing Activity Maturity Wise

Particulars	Non-Current		Current	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
<b>Loans and Advances</b>				
Vehicle Loan	27,146.94	2,29,973.82	1,57,041.34	1,74,807.70
Mortgage Loan	-	20,793.28	18,813.59	1,089.60
Gold Loan	-	18,875.45	4,67,942.13	2,09,627.79
Personal Loan	-	40,930.32	1,35,370.02	70,919.52
Micro Finance Loan	37,390.13	2,558.93	1,39,394.3	1,41,832.01
Traders Loan	-	-	17,462.5	-
<b>Total - Gross Amount</b>	<b>64,537.07</b>	<b>3,13,131.81</b>	<b>9,36,023.89</b>	<b>5,98,276.63</b>
Secured by Securities and Assets	27,146.94	2,69,642.55	6,43,797.06	3,85,525.09
Covered by Bank/Government guarantees	-	-	-	-
Unsecured	37,390.13	43,489.26	2,92,226.83	2,12,751.53
<b>Total - Gross Amount</b>	<b>64,537.07</b>	<b>3,13,131.81</b>	<b>9,36,023.89</b>	<b>5,98,276.63</b>
<b>Loans in India</b>				
Public Sector	-	-	-	-
Other	64,537.07	3,13,131.81	9,36,023.89	5,98,276.63
<b>Total - Gross Amount</b>	<b>64,537.07</b>	<b>3,13,131.81</b>	<b>9,36,023.89</b>	<b>5,98,276.63</b>
<b>Total</b>	<b>64,537.07</b>	<b>3,13,131.81</b>	<b>9,36,023.89</b>	<b>5,98,276.63</b>

## ii Category wise details of Financial Assets

Particulars	Standard	Sub-Standard	F.Y. 2024-25		Total
			Doubtful	Loss	
Vehicle Loan	1,05,756.27	25,080.31	53,351.70	-	1,84,188.28
Mortgage Loan	3,378.68	1,086.31	14,348.59	-	18,813.59
Gold Loan	4,67,942.13	-	-	-	4,67,942.13
Personal Loan	99,786.87	32,383.15	-	3,200.00	1,35,370.02
Micro Finance Loan	1,76,784.40	-	-	-	1,76,784.40
Traders Loan	17,462.54	-	-	-	17,462.54
<b>Total</b>	<b>8,71,110.89</b>	<b>58,549.77</b>	<b>67,700.29</b>	<b>3,200.00</b>	<b>10,00,560.96</b>

## ii Category wise details of Financial Assets

Particulars	Standard	Sub-Standard	F.Y. 2023-24		Total
			Doubtful	Loss	
Vehicle Loan	3,06,420.01	51,439.27	46,922.24	-	4,04,781.52
Mortgage Loan	1,202.83	4,554.22	16,125.84	-	21,882.89
Gold Loan	2,09,274.41	18,549.82	679.01	-	2,28,503.24
Personal Loan	66,952.14	28,092.86	16,804.84	-	1,11,849.84
Micro Finance Loan	1,43,028.95	1,361.99	-	-	1,44,390.95
Traders Loan	-	-	-	-	-
<b>Total</b>	<b>7,26,878.35</b>	<b>1,03,998.17</b>	<b>80,531.92</b>	<b>-</b>	<b>9,11,408.44</b>



## 3 Notes on Financial Statements for the year ended 31st March 2025

## 3.13 Long Term Loans And Advances

Particulars	As at March 31,	
	2025	2024
Unsecured, considered good		
Loans and advances to related parties		
- Trade Advances	2,881.00	30,003.17
Balances with government authorities		
Unsecured, considered good		
- Income Tax Receivable	41,136.11	40,246.61
- Trade Advances	820.36	4,680.15
Deposit with Maturity More than One year		
<b>Total</b>	<b>44,837.47</b>	<b>74,929.93</b>

## 3.14 Other Non- Current Assets

Particulars	As at March 31,	
	2025	2024
Long-term Trade Receivables		
Security Deposits	6,024.62	5,778.13
Unsecured, considered good		
Gratuity Fund	2,382.57	4,431.24
<b>Total</b>	<b>8,407.19</b>	<b>10,209.37</b>

## 3.15 Cash and Cash Equivalents

Cash and cash equivalents are cash, balances with bank and short-term (three months or less from the date of placement), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value

Particulars	As at March 31,	
	2025	2024
Balances with banks:		
- In current accounts	10,768.42	31,995.78
- Deposits	11,903.03	379.20
Cash on hand	3,149.07	10,215.42
<b>Total cash and cash equivalents</b>	<b>25,820.53</b>	<b>42,590.39</b>
Earmarked balances with banks	-	-
<b>Total</b>	<b>25,820.53</b>	<b>42,590.39</b>





## 3 Notes on Financial Statements for the year ended 31st March 2025

## 3.16 Short Term Loans And Advances :

Particulars	As at March 31,	
	2025	2024
Unsecured, considered good Loans and advances to related parties	26,000.00	1,35,000.00
Balances with government authorities Unsecured, considered good		
- GST Receivables	85.32	40.55
- TDS, TCS and Advance Income Tax	2,779.44	8,876.93
Loans and advances to employees		
Others (Prepaid Expenses, and other advances etc)	2,573.32	5,359.09
<b>Total</b>	<b>31,438.08</b>	<b>1,49,276.58</b>
Advances recoverable in cash or in kind or for value to be received		

## 3.17 Other Current Assets :

Particulars	As at March 31,	
	2025	2024
(a) Unamortised expenses		
(i) Interest Suspense on Vehicle Loans		
(b) Accruals and Receivable		
- Interest Recivables on Loans	20,617.65	13,723.08
- Finance Charge/VL Interest Receivable	1,262.59	61,812.61
<b>Others</b>		
- Repossessed Vehicles	6,872.90	18,176.73
- HP/VL Receivables	5,537.70	5,001.13
- Others - Chitty Investments	480.44	862.45
- Others	113.13	115.94
<b>Total</b>	<b>34,884.42</b>	<b>99,691.94</b>



## 3 -Notes on Financial Statements for the year ended 31st March 2025

## 3.18 Revenue From Operations

Particulars	Year ended March 31,	
	2025	2024
<b>Interest Income</b>		
Income from Financing activity	1,49,760.90	2,00,693.67
<b>Fee Based Income</b>		
Processing Fee	4,274.56	2,538.89
Documentation charge	2,200.80	4,241.93
<b>Total</b>	<b>1,56,236.26</b>	<b>2,07,474.49</b>

## 3.19 Other Income

Particulars	Year ended March 31,	
	2025	2024
(a) Interest Income		
Interest received from Bank on Deposits	227.98	14.98
Interest received from Deposits		
Interest on HP/VL overdue	10,878.73	15,851.56
Other interest received	22,202.83	23,285.69
(b) Net gain on foreign currency transactions and translation	-	-
(c) Other non-operating income (net of expenses directly attributable to such income)		
Other Income		
Dividend on Investment	9.05	40,008.29
Rental income	547.93	455.09
Profit on Repossessed Assets	2,154.72	663.95
Profit on sale of property, plant and equipment (net)	507.61	10,709.16
Bad debts recovered	88,951.34	1,07,217.84
HP/VL Other Income	4.39	81.35
Interest on Income Tax Refund	4,437.87	473.15
Other Miscellaneous Income	1,624.96	1,157.02
<b>Total</b>	<b>1,31,547.41</b>	<b>1,99,918.08</b>

## 3.20 Employee Benefit Expenses

Particulars	Year ended March 31,	
	2025	2024
Salaries & Wages	70,619.90	62,077.49
Contributions to provident and other funds	5,995.26	4,110.49
Staff welfare expenses	954.15	964.06
<b>Total</b>	<b>77,569.30</b>	<b>67,152.04</b>

## 3.21 Finance Cost

Particulars	Year ended March 31,	
	2025	2024
<b>Interest expense on :</b>		
Bank Borrowings	8,045.90	11,671.75
Interest on Loan from Related parties	2,605.33	2,359.28
Interest on Subordinated Debts	74,735.96	83,912.68
Interest on Debenture	45,885.70	44,429.46
<b>Total</b>	<b>1,31,272.89</b>	<b>1,42,373.16</b>





**SML Finance Limited**

(All amounts in ₹ , '000, unless otherwise stated)

**3 - Notes on Financial Statements for the year ended 31st March 2025****3.22 Depreciation And Amortisation**

Particulars	Year ended March 31,	
	2025	2024
Depreciation *	8,034.48	6,266.52
Amortisation	446.96	595.14
<b>Total</b>	<b>8,481.44</b>	<b>6,861.66</b>

Refer note 2 and 3.09 for accounting policy on depreciation and amortisation cost

**3.23 Other Expenses**

Particulars	Year ended March 31,	
	2025	2024
Advertisement Expenses	269.39	49.12
Accrued loss on auctioned chitty	307.85	284.81
Association subscription	401.24	27.50
Bank Charges	957.49	1,108.99
Baddebts Recovery Expense	211.53	1,406.41
Business Promotion Expense	446.89	1,238.29
Cleaning Charges	1,166.98	941.63
Conveyance charge	799.45	-
Debenture trustee fee	246.00	249.00
Donation	-	64.80
Electricity charges & Water charges	2,242.26	1,935.64
Fee & Registratrion expenses	741.85	988.12
Filing fee	19.50	44.39
Gratuity Insurance Premium	-	89.50
GST Paid	-	2,251.20
HP/VL promotion Expense	261.57	745.29
Insurance charges	252.09	128.38
Inauguration Expense	-	52.02
Incentive	11,555.99	11,144.93
Income Tax Paid	1,017.52	-
Late fee paid for TDS & PF	-	10.89
Labour Welfare Fund	159.45	115.80
Legal charges	3,615.17	1,541.67
Loss on repossessed assets	3,861.66	276.50
Miscellaneous expenses	400.76	90.61
News paper & Periodicals	3.33	3.24
Payment to Auditors *	440.00	440.00
Postage	240.42	229.05
Professional Fee	1,977.21	1,954.92
Printing & Stationery	989.12	1,473.87
Provisions and Written off *	45,097.42	1,39,608.90
Rates & Taxes	962.00	212.24
Refreshment	2,563.60	2,574.09
Rent	12,911.24	9,210.14
Repairs & maintenance	3,499.20	3,998.34
Security salary	1,448.72	894.03
System maintainance charge	4,792.56	3,349.03
Telephone charges	2,594.01	2,439.62
Travelling expenses	2,886.04	2,904.82
Sitting Fees	20.00	30.00
<b>Total</b>	<b>1,09,359.52</b>	<b>1,94,107.76</b>

**3.23.1 \* Payment to auditors (excluding GST):**

Particulars	Year ended March 31,	
	2025	2024
As auditors - statutory audit	300.00	300.00
For taxation matters	85.00	85.00
For other services	55.00	55.00
<b>Total</b>	<b>440.00</b>	<b>440.00</b>





**3 Notes on Financial Statements for the year ended 31st March 2025**
**3.23.2 Provisions and Written Offs**

Particulars	Year ended March 31,	
	2025	2024
<b>Provision for:</b>		
Standard assets	88.09	(147.68)
Non performing assets	1,694.60	8,913.47
Provision for Restructured Loans	-	(3,381.33)
Advances & other write-offs	11.25	1,620.78
Bad debts written off	39,165.23	1,06,264.82
Dimunition in value of investment	4,138.26	26,338.83
<b>Total</b>	<b>45,097.42</b>	<b>1,39,608.90</b>

**3.24**
**i Statement of profit and loss:**

Particulars	Year ended March 31,	
	2025	2024
<b>Current income tax:</b>		
Current income tax charge	-	2,710.00
Adjustments in respect of current income tax of previous year		
<b>Total Current Tax</b>	<b>-</b>	<b>2,710.00</b>
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(1,732.32)	829.28
<b>Income Tax reported in the statement of profit and loss</b>	<b>-1,732.32</b>	<b>3,539.28</b>

**II Liabilities for Current Tax (net):**

Particulars	Year ended March 31,	
	2025	2024
TDS, TCS & Advance Income Tax	2,779.44	88,76,931.00
Provision For Income Tax	-	(27,10,000.00)
<b>Liabilities for Current Tax (net)</b>	<b>2,779.44</b>	<b>61,66,931.00</b>

**Other Notes**

- During the year ended March 31, 2025, the Company has recognised deferred tax asset to the extent that it is probable, based on the future profitability and projections of the Company, that taxable profits will be available against which such deferred tax assets can be realised.

- The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

**3.25 Earnings Per Share (Basic & Diluted)**

(In ₹ ,unless otherwise stated)

The company reports basic and diluted Earnings per Share in accordance with AS 20. Basic Earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding at the end of the year. Diluted Earnings per share have been computed using the weighted average number of equity shares and potential equity shares outstanding at the end of the year.

Particulars	Year ended March 31,	
	2025	2024
Profit after tax	(3,71,67,166.52)	(66,41,340.41)
Weighted average number of shares	60,302	60,302
Nominal value of shares (Rs.)	1.000	1.000



## 3 Notes on Financial Statements for the year ended 31st March 2025

## 3.26 Employee Benefits

**Details of Employee Benefits : Disclosures required under Accounting Standard 15 – Employee Benefits ( Revised 2005)****a. Defined Contribution Plans :**

During the Year, the following amounts have been recognised in the Profit and Loss account on account of defined contribution

Particulars	Year ended March 31,	
	2025	2024
Employers Contribution to Provident Fund	2,571.43	2,161.92
Employers Contribution to Employee's State Insurance	1,266.13	1,071.58

**b. Defined benefit plans - Gratuity:****i. Components of employer expense**

Particulars	Year ended March 31,	
	2025	2024
Current service cost	1,636.38	1,946.04
Interest cost	726.89	765.39
Expected return on plan assets	(1,004.65)	(972.78)
Actuarial losses/(gains)	699.07	(2,085.27)
<b>Total expense recognized in the Statement of Profit and Loss</b>	<b>2,057.69</b>	<b>(346.63)</b>

**ii. Actual contribution and benefit payments for year**

Particulars	Year ended March 31,	
	2025	2024
Actual benefit payments	1,582.88	1,157.15
Actual contributions	9.02	201.47

**iii. Net asset / (liability) recognized in the Balance Sheet**

Particulars	Year ended March 31,	
	2025	2024
Present value of defined benefit obligation	11,505.53	10,026.07
Fair value of plan assets	13,888.10	14,457.31
Funded status [Surplus / (Deficit)]	2,382.57	4,431.24
Unrecognized past service costs	-	-
<b>Net asset / (liability) recognized in the Balance Sheet</b>	<b>2,382.57</b>	<b>4,431.24</b>

**iv. Change in defined benefit obligations (DBO) during the year**

Particulars	Year ended March 31,	
	2025	2024
Present value of DBO at beginning of the year	10,026.07	10,557.06
Current service cost	1,636.38	1,946.04
Interest cost	726.89	765.39
Acquisition Adjustments	-	-
Actuarial (gains) / losses	699.07	(2,085.27)
Benefits paid	(1,582.88)	(1,157.15)
<b>Present value of DBO at the end of the year</b>	<b>11,505.53</b>	<b>10,026.07</b>

**v. Change in fair value of assets during the year**

Particulars	Year ended March 31,	
	2025	2024
Plan assets at beginning of the year	14,457.31	14,440.20
Expected return on plan assets	1,004.65	972.78
Actual company contributions	9.02	201.47
Actuarial gain / (loss)	-	-
Benefits paid	(1,582.88)	(1,157.15)





## 3 Notes on Financial Statements for the year ended 31st March 2025

vi. Composition of the plan assets is as follows:

Particulars	Year ended March 31,	
	2025	2024
Government bonds		
PSU bonds		
Equity mutual funds		
Insurer Managed Funds	13,888.10	14,457.31

vii. Actuarial assumptions

Particulars	Year ended March 31,	
	2025	2024
Discount rate	7.25%	7.25%
Rate of return on plan assets	7.00%	7.00%
Salary escalation	8.00%	8.00%

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors. The estimates of future Salary increases, considered in the actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## 3.27 Related Party Transactions

i Names of related parties and related party relationship, irrespective of whether transactions have occurred or not is given below:

Nature of relationship	Name of related party	Relationship
Subsidiary Companies	Vanchinad Finance Private Limited	
Entities over which KMP / Relatives of KMP can exercise significant influence	BRD Motors Limited BRD Developers & Builders Limited Sangeeth Nidhi Limited BRD Car World Limited BRD Kuries India Limited Vanchinad Finance Private Limited	
Directors and Key Management Personnel (KMP)	Dr.Griger Cherry Williams Mr. Sabin Paulson Shajan A D	Managing Director Chief Financial Officer [From 16.10.2023] Chief Financial Officer [upto 15.10.2023]
Relatives of Key Management Personnel (KMP)	C C William Verghese Mary Williams Susanna Griger Devassy A L Smitha Shajan	Father of MD Mother of MD Spouse of MD Father of Shajan A D Spouse of Shajan A D

ii Transactions with the related parties are:

Nature of transactions	Name of the Related party	Year ended March 31,	
		2025	2024
Professional consulting fees	Mary Williams C C William Verghese	- 720.00	240.00 420.00
Incentives Paid	Griger Cherry Williams Susanna Isaac	13.68 11.57	13.82 6.52
Non Convertible Debentures Issued	Griger Cherry Williams Susanna Isaac	- 300.00	- -
Non Convertible Debentures Redeemed	Griger Cherry Williams	-	1,000.00



## 3 Notes on Financial Statements for the year ended 31st March 2025

Loan from Directors and relative of Directors	C C William Verghese	1,27,316.00	63,734.00
	Mary Williams	-	124.00
	Susanna Griger	1,049.00	690.00
Loan Repaid to Directors	C C William Verghese	1,27,316.00	63,734.00
	Mary Williams	-	2,065.00
Sub-debts issued	Griger Cherry Williams	-	1,300.00
	Susanna Griger	2,500.00	-
Sub-debts redeemed	Susanna Griger	-	150.00
	-	-	-
Interest paid on Non Convertible Debentures	Griger Cherry Williams	-	113.47
	Susanna Griger	82.23	65.00
Interest paid on Subordinate Debts	Griger Cherry Williams	168.99	63.89
	Susanna Griger	101.96	22.10
	Shajan A D	-	1.87
	-	-	-
Interest paid on Loan from Related Parties	C C William Verghese	2,252.70	2,029.98
	Mary Williams	-	71.44
	Susanna Griger	353.46	257.12
Trade Advance Paid	SML Motors	100.00	5,025.00
Trade Advance Refund	SML Motors	27,232.51	54,977.53
Interest on Trade Advance Received	SML Motors	2,485.35	7,229.49
Rent Paid	C C William Verghese	3,714.00	2,880.00
Rent Received	BRD Car World Limited	547.93	455.09
Inter Corporate Loan Paid	Vanchiand Finance P Limited	60,000.00	1,40,500.00
Inter Corporate Loan Recouped	Vanchiand Finance P Limited	1,69,000.00	70,500.00
Interest on Inter Corporate Loan	Vanchiand Finance P Limited	16,735.49	14,072.89
Dividend Received	Vanchiand Finance P Limited	-	40,000.00
Remuneration	Griger Cherry Williams	3,600.00	3,600.00
	Susanna Isaac	-	-
	Sibin Paulson	1,165.00	506.67
	Shajan A D	-	325.00





**3 Notes on Financial Statements for the year ended 31st March 2025**

**iii Balances at the year end:**

Nature of transactions	Name of the Related party	Year ended March 31,	
		2025	2024
Trade Advance	SML Motors	2,881.00	30,013.51
Inter Corporate Loan	Vanchiand Finance P Limited	2,60,000.00	1,35,000.00
Non Convertible Debentures	Susanna Griger	800.00	500.00
Bonds	Griger Cherry Williams	1,300.00	1,300.00
	Susanna Griger	2,650.00	-
	Shajan A D	-	5.00
	Smitha Shajan	-	5.00
Share Capital Investment	Vanchinad Finance P Limited	2,50,000.00	2,50,000.00
Loan from Directors of the Company	Susanna Griger	3,780.00	2,731.00
Interest Payable	C C William Verghese	-	-
	Susanna Griger	-	0.82
	Shajan A D	-	1.10
	Smitha Shajan	-	2.97

**Notes:**

\* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

**iv Transaction with Executive director**

Nature of transactions	Name of the Related party	Year ended March 31,	
		2025	2024
Sitting Fee and Remuneration	Jojo N J	1,200.00	1,200.00

**v Transaction with non executive director**

Nature of transactions	Name of the Related party	Year ended March 31,	
		2025	2024
Sitting Fee	Abin M Behanan	10.00	15.00
	Adv.Thankarajan P K	10.00	15.00

**3.28 Contingent liabilities and capital commitments**

Particulars	Year ended March 31,	
	2025	2024
<b>Contingent Liabilities: -</b>		
<b>Claim not acknowledge as debt by the company</b>		
In respect of tax demands where the Company has filed appeal before various		
Guarantee and Letter of Credit issued by banker on behalf of the company	44,235.28	44,235.28
<b>Capital commitments :-</b>	2,88,750.00	2,79,750.00

Estimated amount of the contract to be executed on capital account

Future cash outflow in respect of above is determinable only on receipt of judgments /decision pending with various forums/authorities. The Company is of the opinion that the above demands are not tenable and expects to succeed in its appeals/defense. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations



**3 Notes on Financial Statements for the year ended 31st March 2025**
**3.29 Additional Regulatory Information**

Particulars	Numerator	Denominator	31.03.2025	31.03.2024	% of variance*
Current Ratio (times)	Current Asset	Current liabilities	6.49	2.75	135.54%
Debt-Equity Ratio (times)	Total debt	Shareholder's equity	2.03	2.08	-2.48%
Debt Service Coverage Ratio (times)	Earnings available for debt service	Debt service	0.42	0.62	-31.62%
Net Profit Ratio (%)	Net Profits	Net Sales	-12.91%	-1.63%	692.23%
Return on Equity Ratio (%)	Net profits after taxes	Average shareholder's equity	-7.06%	-1.22%	480.00%
Return on Capital employed (%)	Earning before interest and taxes	Capital employed	6.00%	8.29%	-27.61%

a) Increased lending in the short-term category, primarily through Gold Loans, contributed significantly to the rise in short-term loans and advances. This, combined with a decline in current liabilities, resulted in higher current assets and consequently an improved current ratio.

b) The entity has written off major part of the non-performing loans, leading to a decline in profitability and associated financial ratios

**3.30 Investments**

Particulars	Year ended March 31,	
	2025	2024
Value of Investments		
<b>Gross Value of Investments</b>		
(a) India In India	2,85,833.97	2,85,833.97
(b) Outside India	-	-
<b>Provisions for Depreciation</b>		
(a) India In India	30,477.09	26,338.83
(b) Outside India	-	-
<b>Net Value of Investments</b>		
(a) India In India	2,55,356.88	2,59,495.13
(b) Outside India	-	-
<b>Movement of provisions held towards depreciation on investments</b>		
Opening balance	26,338.83	-
Add : Provisions made during the year	4,138.26	26,338.83
Less : Write off / write back of excess provisions during the year	-	-
Closing balance	30,477.09	26,338.83

**3.31 Details of Ratings assigned by credit rating agencies and migration of ratings during the year**

The Company has been assigned following credit rating from rating agencies during the financial year ended 31.03.2025

Instrument	Rating Agency	Rating Assigned	
		31.03.2025	31.03.2024
Long Term Loan Facilities	CRISIL	-	-
Short Term Loan Facilities		-	-

**3.32 Provisions and Contingencies**

Break up of Provisions and Contingencies shown under the head Expenses in the Statement of Profit and Loss	Year ended March 31,	
	2025	2024
Provisions for depreciation on Investment	4,138.26	26,338.83
Provision towards NPA	1,694.60	8,913.47
Provision made towards Income Tax (net of Deferred Tax)	(1,732.32)	3,539.28
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	88.09	(147.68)

**3.33 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)**

The company does not have any joint venture or subsidiary overseas during the year 2024-25 & 2023-24





**3 Notes on Financial Statements for the year ended 31st March 2025**
**3.34 Draw Down from Reserves**

No reserves have been draw down during the financial year 2024-25 & 2023-24

**3.35 Registration obtained from other financial sector regulators**

The Company has not obtained registration from other financial sector regulators except Reserve Bank of India.

**3.36 Disclosure of Penalties imposed by RBI & other regulators**

No penalties have been imposed by RBI and other regulators on the Company during the financial year ended

**3.37 Percentage of loans granted against collateral of gold jewelry to total assets**

Particulars	Year ended March 31,	
	2025	2024
Gold Loans granted against collateral of gold jewelry	4,67,942.13	2,28,503.24
Total assets of the Company	15,91,175.90	17,36,769.78
Percentage of Gold Loans to Total Assets	29.41%	13.16%

**3.38 Movement of NPAs**

Particulars	Year ended March 31,	
	2025	2024
Net NPAs* to Net Advances (%)	10.42%	17.86%
Movement of NPAs* (Gross)		
(a) Opening balance		
(b) Net Changes	1,84,530.08	1,47,616.69
(c) Closing balance	(55,080.02)	36,913.39
Movement of Net NPAs*	1,29,450.06	1,84,530.08
(a) Opening balance		
(b) Net Changes	1,58,074.17	1,30,074.25
(c) Closing balance	(56,774.62)	27,999.92
Movement of provisions for NPAs* (excluding Provisions on Standard Assets)	1,01,299.55	1,58,074.17
(a) Opening balance		
(b) Net Changes	26,455.91	17,542.44
(c) Closing balance	1,694.60	8,913.47
	28,150.51	26,455.91

**3.39 Exposures:-**

The Company has no exposure to the real estate sector and capital market directly or indirectly in the current and previous year.

**3.40 Concentration of Advances**

Particulars	Year ended March 31,	
	2025	2024
Total Advances to twenty largest borrowers	72,636.24	50,941.96
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	6.99	5.59

**3.41 Customer complaints**

Particulars	Year ended March 31,	
	2025	2024
No. of complaints pending as at the beginning of the year	-	-
No. of complaints received during the year	1	-
No. of complaints redressed during the year	1	-
No. of complaints pending as at the end of the year	-	-

**3.42 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC**

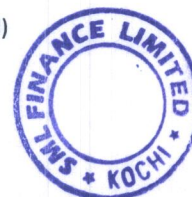
The Company did not exceed the limits prescribed for single and group borrower during the current and previous year.

3.43 The company has not imported any goods therefore value of import on CIF basis is Nil during the year 2024-25 (2023-24 – Nil)

3.44 The company does not have any expenditure in Foreign Currency during the year 2024-25 (2023-24 – Nil)

3.45 The company does not have any Earnings in Foreign Currency during the year 2024-25 (2023-24 – Nil)

3.46 In the opinion of the management, the current assets, loans and advances shall realise the value as shown in the balance sheet, if realised in the normal course of business.





**3 Notes on Financial Statements for the year ended 31st March 2025**

3.47 Other notes as required by Schedule III of the Act are either nil or not applicable hence not disclosed.

The company has a single reportable segment i.e. financing which has similar risk & return for the purpose of AS-17 on 'Segment Reporting' notified under the Companies (Accounting Standard) Rules, 2006 as amended. The company operates in a single geographical segment i.e. domestic.

**Additional Regulatory information as per MCA notification**

3.49 The Company doesn't have any Immovable Property whose title deeds are not held in the name of the Company.

3.50 The company doesn't hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and no proceedings have been initiated or pending against the company for the same

3.51 The Company has not revalued its Property, Plant and Equipment during the financial year 24-25

3.52 The Company has not revalued its intangible assets during the financial year 24-25

3.53 The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved

3.54 The company doesn't have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

3.55 The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

3.56 The Company has not given any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are a) repayable on demand; or b) without specifying any terms or period of repayment.

3.57 The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

3.58 Company has not traded/invested in crypto currency or virtual currency for the current financial year and previous year

3.59 The Company hasn't advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
Directly or indirectly lend or invest in other persons or entities identified in any manner what so ever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

3.60 The Company hasn't received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall  
Directly or indirectly lend or invest in other persons or entities identified in any manner what so ever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3.61 There is no indication of any impairment based on external/internal factors and hence no provision for the impairment loss has been recognised in terms of Accounting Standards 28-Impairment of Assets, issued by the Institute of Chartered Accountants of India.

**3.62 Other Notes**

Corresponding previous year figures have been regrouped/recast and reclassified, wherever necessary to conform to current year's classifications/disclosure to make them comparable.

**In terms of our report attached.**

**For Balan and Co**

Chartered Accountants

ICAI Firm registration number: 0003405

  
P. Mohandas FCA

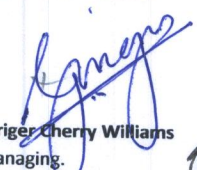
Membership no: 021262

Place: Ernakulam  
Date : 08/09/2025



For and on behalf of the Board of Directors

**SML Finance Limited**

  
Griger Cherry Williams  
Managing.

[DIN 00145586]

Place: Ernakulam  
Date : 08/09/2025

  
K J Varghese  
Director

[DIN :08291568]

  
Sibin Paulson

Chief Financial Officer







Notes on Financial Statements for the year ended 31st March 2025

Property Plant and Equipments

Particulars	Land	Building	Furniture & Fittings	Electrical Fittings	Computer	Motor Vehicle	Office Equipment	Total
At April 1, 2023	1,32,769.35	51,288.86	34,428.53	8,218.06	22,508.53	11,098.98	10,405.13	2,70,717.45
Additions	-	-	4,121.34	1,677.60	1,645.72	655.00	1,306.24	9,405.91
Less: Disposals	9,246.02	-	-	-	-	688.60	-	9,934.62
At March 31, 2024	1,23,523.33	51,288.86	38,549.87	9,895.67	24,154.25	11,065.38	11,711.37	2,70,188.73
Additions	-	-	5,102.58	676.07	930.28	1,153.62	975.68	8,838.24
Less: Disposals	-	-	-	-	-	1,881.56	-	1,881.56
At March 31, 2025	1,23,523.33	51,288.86	43,650.41	12,017.78	25,084.53	10,337.44	11,241.02	2,77,143.37
			(2.04)	1,446.04			(1,446.04)	(2.04)
At April 1, 2023	-	9,813.88	29,653.15	7,394.83	20,972.53	8,929.52	9,018.20	85,782.11
Additions	-	2,621.80	1,391.74	147.37	616.90	715.85	772.86	6,266.52
Less: Disposals	-	-	-	-	-	634.66	-	634.66
At March 31, 2024	-	12,435.68	31,044.89	7,542.20	21,589.44	9,010.71	9,791.06	91,413.97
Additions	-	2,436.85	2,289.02	635.50	1,157.72	654.49	861.20	8,034.78
Less: Disposals	-	-	-	-	-	1,787.48	-	1,787.48
At March 31, 2025	-	14,872.53	33,333.61	8,177.70	22,747.15	7,877.71	10,652.27	97,660.97
			(0.30)					(0.30)
At April 1, 2023	1,32,769.35	41,474.98	4,775.38	823.23	1,536.00	2,169.47	1,386.92	1,84,935.34
At March 31, 2024	1,23,523.33	38,853.18	7,504.98	2,353.47	2,564.82	2,054.68	1,920.31	1,78,774.76
At March 31, 2025	1,23,523.33	36,416.33	10,316.80	3,840.08	2,337.38	2,459.73	588.75	1,79,482.40





# Intangible Assets

Particulars	Software	Total
At April 1, 2023	8,702.68	8,702.68
Amortisation	535.00	535.00
At March 31, 2024	-	-
Amortisation	9,237.68	9,237.68
At March 31, 2025	190.00	190.00
At March 31, 2025	9,427.68	9,427.68
Depreciation and impairment:		
At April 1, 2023	7,561.42	7,561.42
Amortisation	595.14	595.14
At March 31, 2024	-	-
Amortisation	8,156.56	8,156.56
At March 31, 2025	446.96	446.96
At March 31, 2025	8,603.51	8,603.51
Book value:		
At April 1, 2023	1,141.26	1,141.26
At March 31, 2024	1,081.12	1,081.12
At March 31, 2025	824.17	824.17

# Work in Progress

Particulars	Plant & Machinery WIP	Building WIP	Total
At April 1, 2024	-	1,480.63	1,480.63
Amortisation	-	-	-
At March 31, 2025	-	1,480.63	1,480.63

# Ageing schedule

Amount in CWIP for a period of	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
At April 1, 2024	-	-	-	-
At March 31, 2025	-	-	-	-

Assets in Progress  
Assets Temporarily  
ended





## 3 Notes on Financial Statements for the year ended 31st March 2025

## 3.63 Disclosures required as per Reserve Bank of India Master Direction – Non-Banking Financial Company – Non Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

(in ₹ lakhs)

Sl. No.	Particulars		As at March 31, 2025	
	Liabilities side :		Amount out-standing	Amount overdue
1	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not</b>			
	(a)	Debentures : Secured	3,699.65	105.15
		: Unsecured	120.00	Nil
		(other than falling within the meaning of public deposits)		
	(b)	Deferred Credits		Nil
	(c)	Term Loans	95.00	Nil
	(d)	Inter-corporate loans and borrowing		Nil
	(e)	Commercial Paper		Nil
	(f)	Public Deposits		Nil
	(g)	Other Loans –		
		Secured Loans	615.26	Nil
		Vehicle Loans	-	Nil
		Unsecured Loans	37.80	Nil
		Subordinated debts	5,752.17	Nil
2	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued</b>			
	(a)	In the form of Unsecured debentures	Nil	Nil
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall	Nil	Nil
	(c)	Other public deposits	Nil	Nil
<b>Assets side :</b>			<b>Amount out-standing</b>	
3	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>			
	(a)	Secured		6,891.11
	(b)	Unsecured		3,589.74
4	<b>Break up of Leased Assets and stock on hire and other assets counting towards asset</b>			
	(i)	Lease assets including lease rentals under sundry debtors :		
		(a) Financial lease	Nil	
		(b) Operating lease	Nil	
	(ii)	Stock on hire including hire charges under sundry debtors:		
		(a) Assets on hire	Nil	
		(b) Repossessed Assets		68.73
	(iii)	Other loans counting towards asset financing activities		
		(a) Loans where assets have been repossessed	Nil	
		(b) Loans other than (a) above	Nil	
5	<b>Break-up of Investments</b>			
	<b>Current Investments :</b>			
	1	Quoted :		
	(i)	Shares		
		(a) Equity		Nil
		(b) Preference		Nil
	(ii)	Debentures and Bonds		Nil
	(iii)	Units of mutual funds		Nil
	(iv)	Government Securities		Nil
	(v)	Others (please specify)		Nil
	2	Unquoted :		
	(i)	Shares		
		(a) Equity		Nil
		(b) Preference		Nil
	(ii)	Debentures and Bonds		Nil
	(iii)	Units of mutual funds		Nil
	(iv)	Government Securities		Nil
	(v)	Others (please specify)		Nil





## 3 Notes on Financial Statements for the year ended 31st March 2025

Long Term investments :		Amount out-standing		
1	Quoted :			
(i)	Shares			
	(a) Equity			
	(b) Preference			0.66
(ii)	Debentures and Bonds	Nil		
(iii)	Units of mutual funds	Nil		
(iv)	Government Securities	Nil		
(v)	Others (please specify)	Nil		
2	Unquoted :			
(i)	Shares			
	(a) Equity			
	(b) Preference			2,552.91
(ii)	Debentures and Bonds	Nil		
(iii)	Units of mutual funds	Nil		
(iv)	Government Securities	Nil		
(v)	Others (please specify)	Nil		
6	Borrower group-wise classification of assets financed as in (3) and (4) above :			
Category		Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	260.00	260.00
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
2	Other than related parties	6,673.92	3,265.42	9,939.34
7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)			
Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
1	Related Parties			
	(a) Subsidiaries	2,500.00		2,500.00
	(b) Companies in the same group	52.91		52.91
	(c) Other related parties	Nil		Nil
2	Other than related parties	8.98		0.66
Total		2,561.89		2,553.57
8	Other information			
Particulars		Amount		
(i)	Gross Non-Performing Assets*			
	(a) Related parties	Nil		
	(b) Other than related parties	1294.50		
(ii)	Net Non-Performing Assets*			
	(a) Related parties	Nil		
	(b) Other than related parties	1013.00		
(iii)	Assets acquired in satisfaction of debt	-		

In terms of our report attached.

For Balan and Co

Chartered Accountants

ICAI Firm registration number: 0003405

P. Mohandas FCA

Membership no: 021262

For and on behalf of the Board of Directors of  
SML Finance LimitedGriger Cherry Williams  
Managing Director  
[DIN 00145586]K. I. Varghese  
Director  
[DIN :08291568]Sibin Paulson  
Chief Financial OfficerPlace: Ernakulam  
Date : 08/09/2025Place: Ernakulam  
Date : 08/09/2025