

B W D A F I N A N C E L I M I T E D  
ANNUAL REPORT



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BWDA Finance Limited (BFL) is an NBFC – MFI (Non-Banking Finance Company Microfinance Institution) working for the financial inclusion and holistic development of low-income households in South India. BFL works for a poverty-free, prosperous, equitable, and sustainable society and has empowered over 7.85 million beneficiaries.

## FOCUS AREAS

- Financial Inclusion
- Water and Sanitation
- Widow and Destitute Welfare
- Capacity Building
- Livelihood Development
- Women Empowerment
- Senior Citizen Welfare
- Health and Wellbeing
- Climate Change
- Relief and Rehabilitation
- Environment and Animal Welfare
- Bullock-cart Workers Welfare

# TABLE OF CONTENTS

	Page No
<b>Managing Director's Message</b>	1
<b>Corporate Information</b>	5
<b>Company Overview</b>	9
About BFL	10
Mission and Vision	11
Core Values	13
Milestones	15
Business Lines	16
Market Overview	18
Key Highlights	19
Product Portfolio	24
Finnovations	26
Human Capital	29
Corporate Governance	31
Investors	32
BFL In The News	33
Institutional Performance	34
<b>Operational Performance</b>	42
<b>Financial Performance</b>	51
<b>Social Impact and Development Initiatives</b>	55
<b>Statutory Reports</b>	57
Board of Directors' Report	58
Annexures to Director's Report	59
Auditor's Report	68
Audited Financials	82
<b>Future Outlook and Strategy</b>	126
<b>AGBM Notice</b>	128



# MANAGING DIRECTOR'S MESSAGE

Dear BWDA Family,

I am pleased to present to you the Annual Report of BWDA Finance Limited for the financial year FY 2022 - 23. BFL, has been working for a "poverty-free, equitable, prosperous, and sustainable society" through the financial inclusion of low-income households for two decades. This report encapsulates our journey over the past year, highlighting our accomplishments, challenges, and our unwavering commitment to financial inclusion and empowerment.

This year has been a year of profound significance and transformation. We thank the Almighty for showering His blessings and leading us on this journey. The world faced

unprecedented challenges after the global pandemic, which disrupted lives, economies, and communities. In the face of these adversities, BFL stood resilient, adapting swiftly to the evolving circumstances while prioritizing the well-being of our staff and customers. Throughout the year, BWDA Finance Limited has made significant progress in fulfilling our mission driving inclusive economic growth. BFL has played a pivotal role in supporting individuals and communities, particularly those who are most vulnerable. We have remained committed to our mission of providing inclusive financial solutions to low income households. We have strived to ensure uninterrupted access to financial services, as we recognize the critical role they play in economic stability and social progress. We have strived to empower our customers, create sustainable value, and contribute to the overall development of the economy.

The year witnessed several milestones and achievements for BFL. Financially, this year has been a significant one for us. Despite the challenges posed by an evolving economic landscape, we have achieved steady growth and maintained a strong financial position. Our focus on prudent risk management, efficient operations, and customer-centricity has enabled us to deliver solid financial performance. We have expanded our presence to previously underserved regions, extending the reach of our financial products and services to those in need.

Our loan portfolio has grown steadily, reflecting the trust placed in us by our customers and stakeholders. We have diversified our product portfolio to cater to the evolving needs of our customers, ensuring that we remain agile and responsive in a dynamic market environment while adopting prudent practices that ensure the stability and sustainability of our operations. Moreover, our commitment to customer-centricity has remained unwavering. We have focused on delivering tailored solutions that meet the diverse needs of our customers, enabling them to improve their livelihoods, build businesses, and secure their future. By providing market driven solutions, financial literacy programs, holistic development initiatives and other value-added services, we have empowered individuals and communities, enabling them to take control of their financial well-being. BWDA Finance Limited is not just committed to financial success but also to making a positive impact on society and the environment. We have actively pursued initiatives to empower communities and promote sustainability. We believe that responsible business practices are integral to our long-term success and have embedded them into our operations.

BFL has also remained steadfast in its dedication to corporate governance, transparency, and compliance. We adhere to regulatory guidelines, industry best practices, and high ethical standards. Upholding these principles is crucial in maintaining the trust of our stakeholders and sustaining our long-term growth. I am grateful to our Board of Directors for their constant encouragement, guidance, and direction. None of these achievements would have been possible without the

dedication and commitment of our talented team. I extend my heartfelt appreciation to our employees who have demonstrated unwavering resilience, professionalism, and empathy in serving our customers and fulfilling our mission. It is their relentless pursuit of excellence that has fuelled our success and earned us the trust of our customers and stakeholders.

I would also like to express my gratitude to our esteemed shareholders, institutional investors - Dia Vikas, SIDBI, Mutual Benefit Trust – South, Mutual Benefit Trust – Central, Centre for Development Education, customers, and stakeholders for their continued support and trust in BWDA Finance Limited.

I thank our lenders State Bank of India, Union Bank of India, Bank of Maharashtra, Bank of India, Indian Overseas Bank, Bank of Baroda, IDBI Bank, Canara Bank, Dhanalaxmi Bank, Indian Bank, Eclear Leasing & Finance Pvt Ltd, Usha Financial Services Pvt Ltd, Jain Sons Finlease Pvt Ltd, Electronica Finance Limited, SIDBI, MUDRA, Western Capital Advisors Private Limited, Ambit Finvest Private Limited, Moneywise Financial Services Pvt Ltd, Arohan Financial Services, Monexo Fintech, Lenden Club who have helped us offer credit linkage to our beneficiaries and have transformed their lives. We thank our loan syndicators M/s.Loan Sifarish and M/s.Hyk Capital. We thank the SROs Sadhan and MFIN for helping us serve our members responsibly. We thank our Auditors Mr.Daniel Selvaraj, M/s.Manohar Chowdhry & Associates and his team. Equally, we thank our Internal M/s Hariharan & CO LLP for their support. We thank the officials of various Government Departments and Agencies for their encouragement and support. Your unwavering belief in our vision and mission has been the driving force behind our accomplishments. Together, we have created meaningful change and impacted the lives of many.

Looking ahead, we remain focused on our vision of building a more equitable, inclusive and sustainable future. We will invest in our people, empowering them with the skills and resources they need to drive positive change. We will continue to innovate, leveraging emerging technologies and strategic partnerships to enhance our offerings and expand our reach. We will prioritize financial education and awareness, empowering individuals with the knowledge and skills they need to make informed financial decisions. Our commitment to operational excellence, customer-centricity, and responsible practices will remain at the core of our strategy. Furthermore, we will deepen our commitment to environmental, social, and governance (ESG) principles, integrating sustainability into our operations and contributing to a better world. And above all, we will remain steadfast in our commitment to the communities we serve, ensuring that every individual has the opportunity to build a better future.

As you explore this Annual Report, I invite you to reflect on our collective achievements and the transformative power of financial inclusion. We are proud of what we have accomplished together, but we recognize that there is still much work to be done. With your continued support and collaboration, I am confident that we

will overcome any challenges that lie ahead and continue to create lasting positive change in the lives of individuals and communities. In closing, I extend my sincere gratitude to everyone who has contributed to BWDA Finance Limited's success.

Together, we will navigate the future with confidence, resilience, a steadfast commitment to our stakeholders and will continue to make a lasting difference in the lives of millions, driving sustainable growth and prosperity. Thank you for your unwavering support.

Sincerely,



**Dr. C. Joslin Thambi**  
Managing Director  
DIN: 01596878

# CORPORATE INFORMATION

ANNUAL REPORT FY 2023



# BWDA Finance Limited

<b>CIN</b>	U65921TN1995PLC030939
<b>RBI REG NUMBER</b>	B-07.00499
<b>REGISTERED OFFICE</b>	No 858, East Pondy Road, Villupuram - 605602 Tamil Nadu.
<b>PHONE NUMBER</b>	+91-4146-240683 / 243861
<b>FAX</b>	+91-4146-242815
<b>EMAIL</b>	info@bwda.org.in
<b>WEBSITE</b>	www.bwdafinanceltd.in

## STATUTORY AUDITOR

### MANOHAR CHOWDHRY & ASSOCIATES CHARTERED ACCOUNTANTS

3A, Myna Teppakulam, First Street, First Floor, East Gate,  
Madurai - 625001 Tamil Nadu

## INTERNAL AUDITOR

### C S HARIHARAN CO LLP CHARTERED ACCOUNTANTS

Plot 21, Surendre Nagar 2nd Street, Medavakkam, High Road,  
Adambakkam Chennai - 600088, Tamil Nadu

## PORTFOLIO AUDITOR

### RSM ASTUTE CONSULTING PRIVATE LIMITED

301-307, 3rd Floor, Technopolis Knowledge, Park, Mahakali Caves Road, Andheri  
(EAST), Mumbai - 400093, Maharashtra

## SECRETARIAL AUDITOR

### M. K. SURANA & CO

S.U.S. Bhawan, 2, Vimala St, Ayyavoo Colony, Aminjikarai,  
Chennai - 600029, Tamil Nadu

## REGISTRAR & SHARE TRANSFER AGENTS

### KFIN TECHNOLOGIES LIMITED

Karvy Selenium Tower B, Plot B 31 & 32, Financial District,  
Gachibowli, Hyderabad - 500 032. www.kfintech.com

# Board of Directors



**DR. JOSLIN THAMBI  
CHELLIAH**  
Managing Director



**MS. ALPHINA JOS**  
Deputy Managing Director



**MR. JOHN SAMUEL**  
Director



**MR. ASIR RAJA  
SELVAN**  
Independent Director



**MRS. SHIRLEY  
THOMAS**  
Independent Director



**MR. RAJAGOPAL  
PRAKASH**  
Independent Director



**MR. ANBURAJ  
CHELLADURAI**  
Nominee Director - SIDBI



**MRS. VELAYUDHAM  
PRIYA**  
Nominee Director - BMBT  
(Central)



**MR. I. ALWIN  
ZAHARIA**  
Nominee Director - BMBT  
(South)

# Management Team



**DR. JOSLIN THAMBI  
CHELLIAH**  
Managing Director



**MS. ALPHINA JOS**  
Deputy Managing  
Director



**MR. BALAJIRANGARAJAN  
RAGHAVAN**  
Chief Financial Officer



**MR. MU. RAVIKUMAR**  
Company Secretary



**MR. R. VENKATACHALA  
PATHY**  
Chief General Manager



**MR. S. CHIDAMBARA  
THANU PILLAI**  
General Manager



**MR. SKR. PAARI**  
General Manager



**MR. GH. SANTHARAM**  
General Manager



**MR. N SELVAM**  
General Manager

# CORPORATE OVERVIEW

ANNUAL REPORT FY 2023



# About Us

BWDA Finance Limited (BFL) is a Non-Banking Finance Company Microfinance Institution (NBFC-MFI) operating in South India, dedicated to fostering financial inclusion and comprehensive development for low-income households. Headquartered in Viluppuram, Tamil Nadu, BFL operates in Tamil Nadu, Kerala, Karnataka, Puducherry, and the Andaman & Nicobar Islands. The organization, founded in 2003, has three institutional investors: SIDBI, MUDRA, and Dia-Vikas (a subsidiary of Opportunity International, Australia).

The roots of BFL trace back to the establishment of the parent organization, Bullock-cart Workers Development Association (BWDA), in 1985. BWDA's mission was to empower low-income households in South India. Starting with forming Self Help Groups (SHGs) of bullock cart workers' families, especially women, BWDA aimed to promote self-sufficiency, empowerment, and poverty alleviation. Over time, BWDA extended its efforts to assist other low-income households by connecting SHGs with local banks for credit support.

In 1999, BWDA initiated direct lending through the BWDA Microfinance Program, aiming to enhance access to finance with the support of a loan from RMK. Recognizing the potential for significant growth in the future, BWDA decided to establish a separate legal entity to oversee its microfinance operations. Thus, in 2003, BWDA acquired an NBFC, which was renamed BWDA Finance Limited (BFL) to streamline its financial inclusion initiatives. Subsequently, BFL received reclassification as an NBFC-MFI by RBI in April 2018 and formed a partnership with the State Bank of India in July 2018 as a Business Associate.

BFL's network comprises 86 branches, serving communities across Tamil Nadu, Puducherry, Andaman & Nicobar Islands, Kerala, and Karnataka. With a dedicated team of 547 change-makers, BFL endeavors to empower 52,576 SHGs, benefiting approximately 7,79,143 members economically. In alignment with its vision of comprehensive development, BFL actively engages in projects that contribute to 14 of the United Nations Sustainable Development Goals (SDGs) through various partnerships.

Over the years, BFL has disbursed INR 1817.38 Crore to around 15.55 lakhs beneficiaries and has availed INR 705.54 Crore from 52 financial institutions and banks. The organization holds a rating of MFI2 from CARE Ratings Limited and a rating of BBB-stable from Acuité Ratings & Research Limited.

# Vision

**A poverty-free, prosperous, equitable and sustainable society**



## EMPOWERMENT

BFL clients will graduate to a poverty free status and will be able to exercise decision making options as individuals / groups / federations in various aspects of their lives. The economic empowerment facilitated by BFL will enable them to extend empowerment into other aspects of their lives

A poverty free society comprises of people who can at least meet their basic needs like food, shelter and clothing. The people in this society are accessing financial services for fulfilling the next level of basic needs such as health, education, housing, sanitation, etc. BFL will enable its clients to move to the poverty-free platform and access services by providing innovative financial services.

BFL will provide all its clients, irrespective of caste and religion, access to services and will not differentiate amongst members from its target clientele.

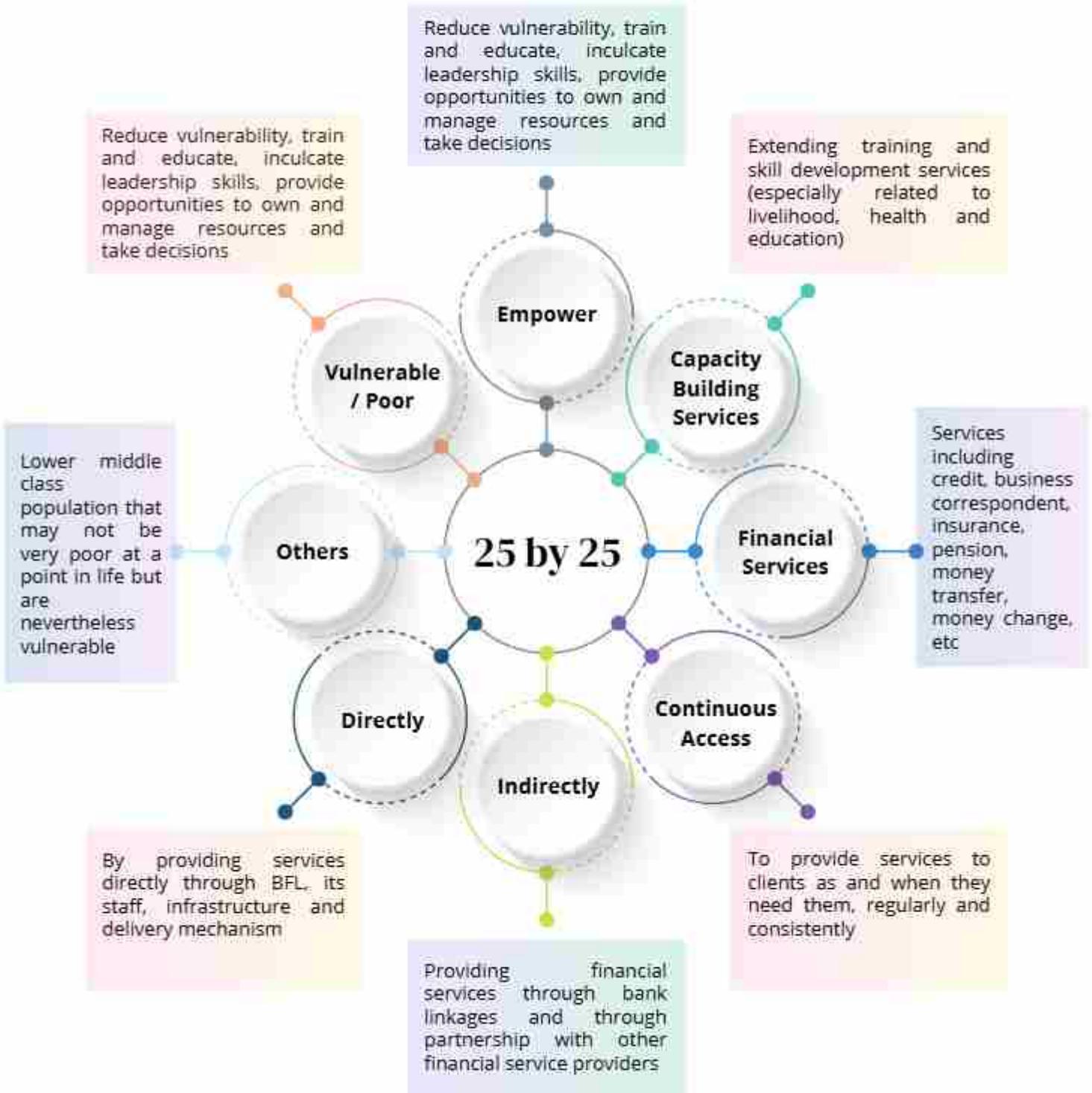


The clients of BFL will gradually be able to diversify their sources of income and reduce vulnerability on account of internal / external factors. The gradual increase in income sources and levels will enable them to get into sustainable income generating cycles.

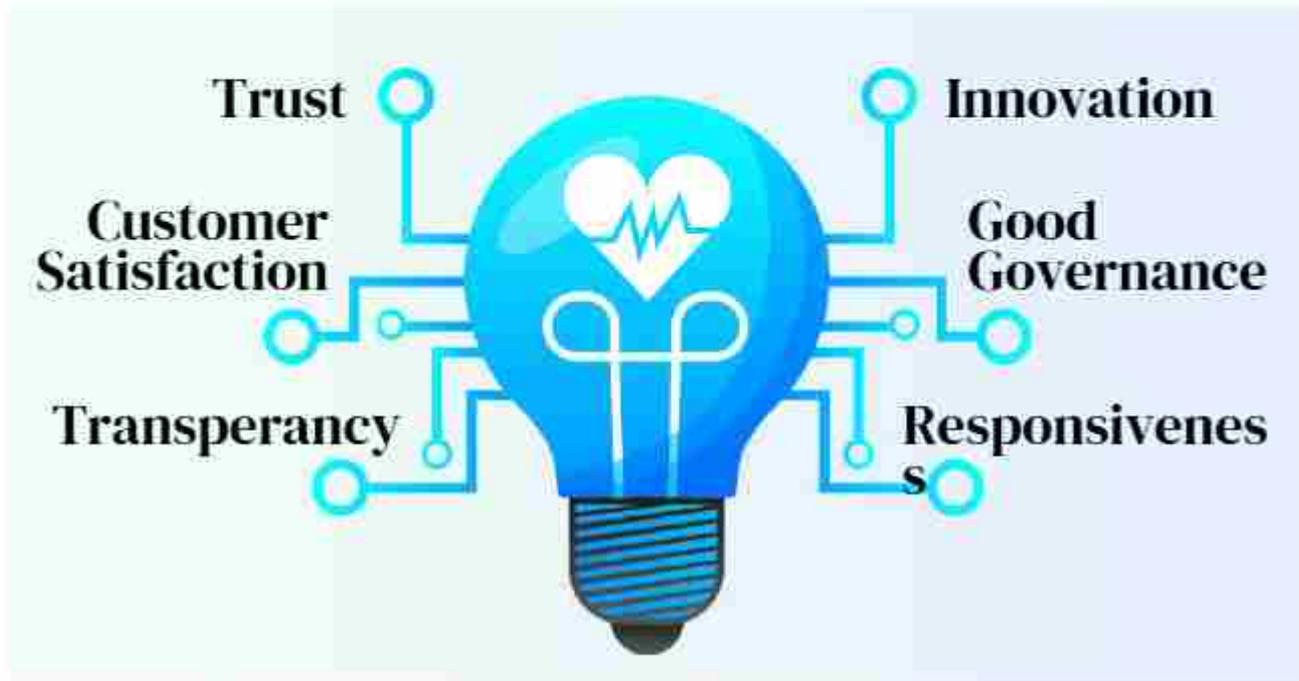
The clients of BFL will gradually be able to diversify their sources of income and reduce vulnerability on account of internal / external factors. The gradual increase in income sources and levels will enable them to get into sustainable income generating cycles.

# Mission

To empower 25,00,000 poor and vulnerable households economically and socially by 2025, through establishing sustained access to financial and capacity building services



# Core Values



## **GOOD GOVERNANCE**

BWDA Finance Limited adopts well documented and transparent policies, guidelines and procedures for all aspects of organisational management and stakeholder interaction and observes high standards of governance, ensuring fairness, integrity and transparency by inducting persons with sound reputation and understanding of Microfinance. BWDA has a strong, independent and diversified Managing Committee and Management Team. BWDA adopts clear and effective communication between management and employees and ensures transparency in the maintenance of books of accounts and reporting/ presentation and disclosure of financial statements. BWDA adopts the Fair Practises Code to ensure stakeholder protection.

## **TRUST**

BWDA Finance Limited will believe and have faith in integrity, intentions and capability of clients. BWDA will consider all the clients and staff alike irrespective of their communal classification and opportunities. The organization will never deny financial services to an eligible clients/groups who meet policy norms.

## **CUSTOMER SATISFACTION**

BWDA Finance Limited adopts a 'Client comes first' approach. BWDA will strive to satisfy customer's needs by offering timely and need-based services with minimal

documentation. BWDA will create an atmosphere of empathy and mutual trust and will help customers bring positive changes in their livelihoods and desired socio-economic changes in their family.

### **INNOVATION AND RESPONSIVENESS**

BWDA Finance Limited will develop new and better products to address evolving client needs and develop new and better delivery systems to improve efficiency.

### **TRANSPARENCY**

BWDA Finance Limited will always be transparent and fair in dealing with all stakeholders. BWDA will earn trustworthiness by meeting industry standards and legal compliance. BWDA will disclose to clients all terms and conditions (including all charges of any type, interest rates and terms of repayment) of our financial products and services in vernacular or the language understood by the client. BWDA will also keep the clients well informed by providing periodical statements of their accounts by means of passbook, receipts or any other mechanism.



**Animator Get-together Pro**

# Milestones

START ▶



**1985**

BWDA started for socio economic empowerment



**1986**

BWDA registered under Tamil Nadu Societies Act



**1988**

BWDA started forming SHGs



**1992**

BWDA SHG Bank Linkage Program started



**1999**

BWDA Microfinance Program started



**2003**

BWDA Finance Limited started for financial inclusion



**2018**

BFL reclassified as NBFC - MFI (Microfinance Institution)

BFL partnered with SBI as Business Associate



**2022**

BFL partnered with IDBI as Business Correspondent



Journey toward Small Finance Bank

# Business Lines

As a NBFC-MFI (Non-Banking Financial Company - Microfinance Institution) BWDA Finance Limited typically operates in the financial services sector with a specific focus on providing microfinance services to underserved and economically weaker sections of society.

BFL firmly believes that financial inclusion i.e. delivery of financial services at affordable costs to sections of disadvantaged and low-income segments of society and linking of the poor to mainstream financial services is the key to empowerment. The organization aims to connect underserved individuals with mainstream financial offerings, viewing this as a pivotal pathway to empowerment. BFL's approach involves leveraging the Self Help Group (SHG) movement to instill savings habits and promote internal financial circulation among its members. Additionally, BFL facilitates access to mainstream banking for these individuals and supports credit linkage through collaborations with banks and other financial institutions, enabling income generation and livelihood activities.

The origins of BFL's financial inclusion initiative trace back to its parent NGO, Bullockcart Workers Development Association (BWDA), which established the BWDA Microfinance Programme on September 9, 1999. This program began with initial loan support from RMK, New Delhi, and subsequently secured loans from government bodies, banks, financial institutions, like RMK, SIDBI, VGB, SBT, IOB, FWWB, HDFC, Dhanalakshmi Bank, CORDAID, RABO Bank Foundation, among others. In 2003, BWDA took a significant step by acquiring a Non-Banking Financial Company (NBFC) and renaming it BWDA Finance Limited (BFL) to streamline and enhance its financial inclusion endeavors.

Over time, the Microfinance Programme has evolved into a comprehensive financial inclusion scheme, offering a diverse range of market-driven financial services to low-income households. Through direct provisions and strategic partnerships, BFL's financial inclusion program encompasses savings opportunities (facilitated by the SHG model), credit connections, remittance services, pension plans, and insurance offerings.

BFL's commitment to operational excellence is evident in its adoption of industry-standard processes and systems to ensure a resilient operational framework. Presently, BFL extends its services to Self Help Groups (SHGs), Joint Liability Groups (JLGs), and individuals, offering a carefully curated selection of customer-centric products and services that cater to the specific needs of its members.

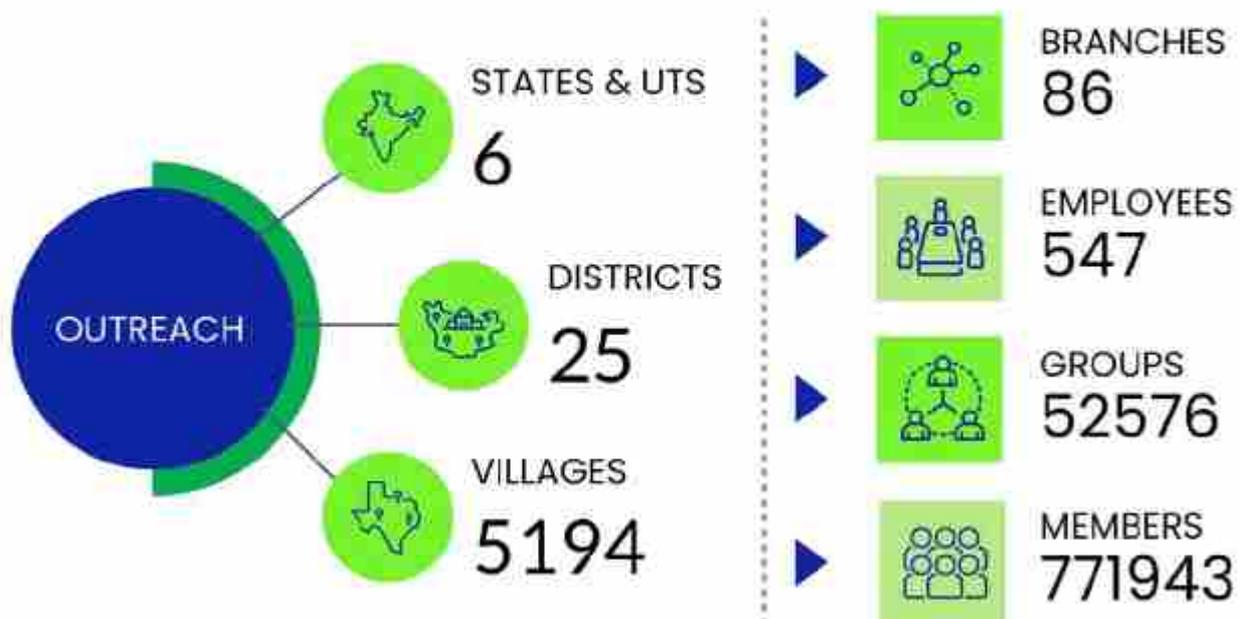
As a member of Sadhan and MFIN Self-Regulatory Organizations (SROs), BFL aligns itself with industry best practices and adheres to guidelines set forth by the Reserve Bank of India (RBI) to safeguard client interests. Collaborating with Credit Bureaus underscores BFL's dedication to combating over-lending and promoting responsible lending practices. With an unwavering focus on the holistic growth of its members, BFL maintains a client-centric approach, executing various developmental initiatives and credit-enhancing services to empower its beneficiaries.



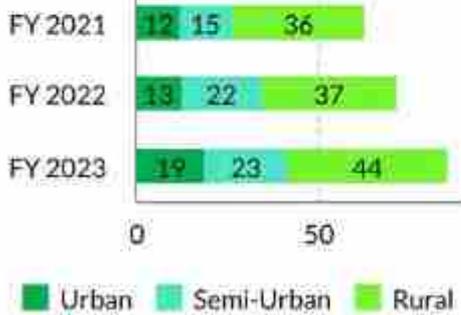
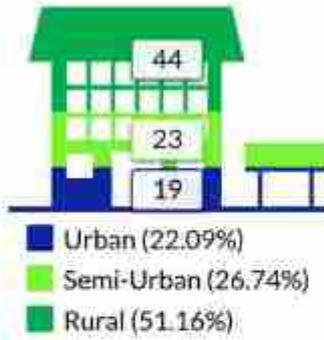
# Market Overview and Outreach

Microfinance has become an essential tool for poverty reduction and financial inclusion in India. While challenges remain, microfinance is provided in a responsible and sustainable manner to maximize its benefits for the marginalized and economically vulnerable populations. The overall YoY (31 March 2022 to 31 March 2023) growth of Gross Loan Portfolio of the microfinance sector is 22.0%. As of 31 March 2023, 82 NBFC-MFIs hold the largest share of portfolio in micro-credit with a Gross Loan Portfolio (GLP) of Rs 1,38,310 Cr, which is 39.7% of total micro-credit universe. Banks are second largest provider of micro-credit with a GLP of Rs 1,19,113 Cr, accounting for 34.2% to total industry portfolio. SFBs have a total GLP of Rs 57,828 Cr with total share of 16.6%.

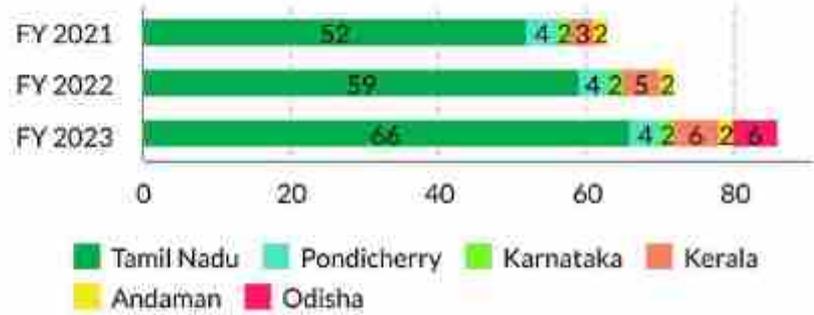
BWDA Finance Limited currently operates in 6 States and UTs namely, Tamil Nadu, Puducherry, Kerala, Karnataka, Orissa and Andaman and Nicobar Islands. BFL seeks to expand its operations to cater to low income households in other underserved areas and have a pan India presence. BFL currently has 86 branches with a member base of 52576 and 771943 members. BFL services its active borrower base of 101384 members with 547 change drivers who strive to financially include and empower low income households in operational areas. BFL has members who have been with us since BWDA started the SHG movement in Tamil Nadu in 1988.



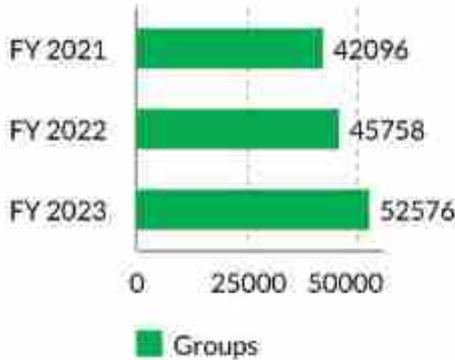
### Area-wise Branches



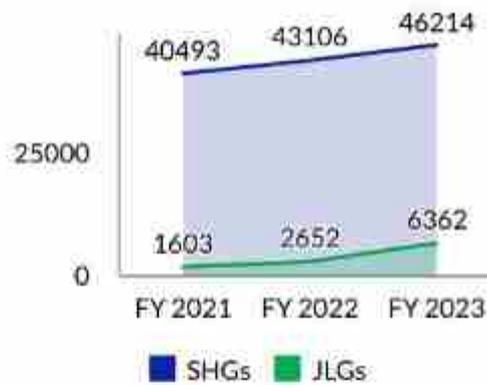
### State-wise Branches



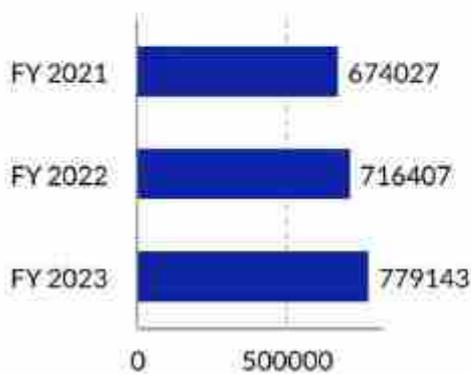
### # Groups



### Group Composition



### # Members



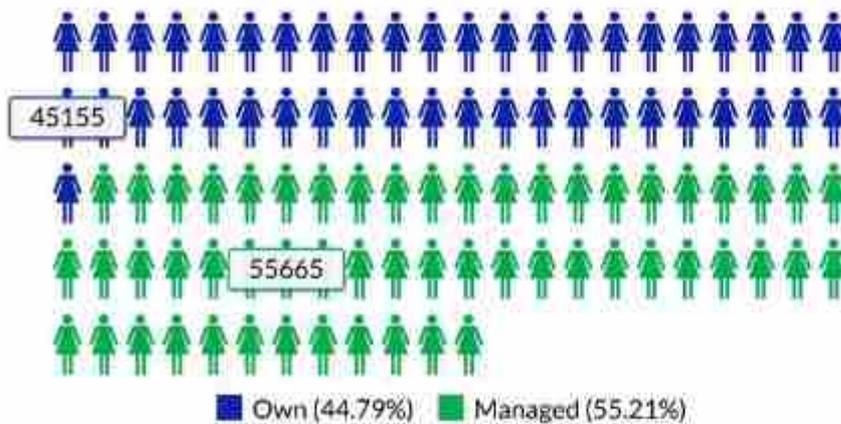
### Member Composition



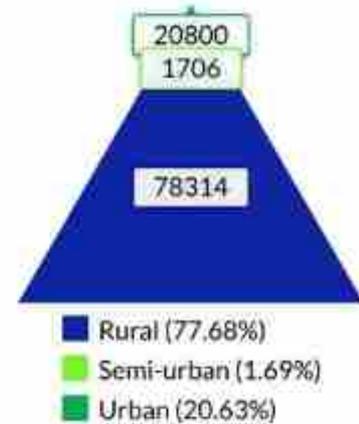
### # Borrowers



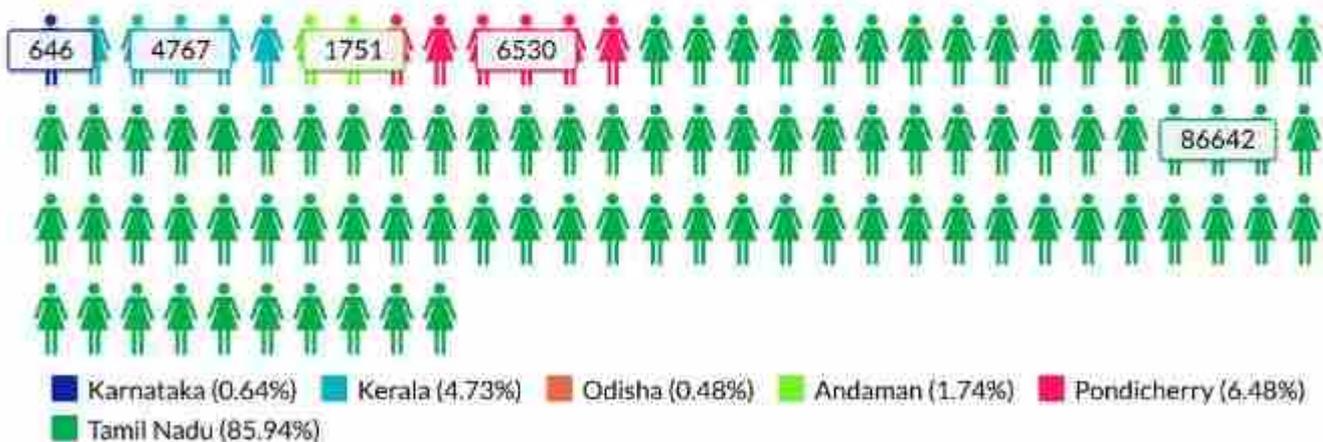
### Portfolio-wise Borrowers



### Area-wise Borrowers



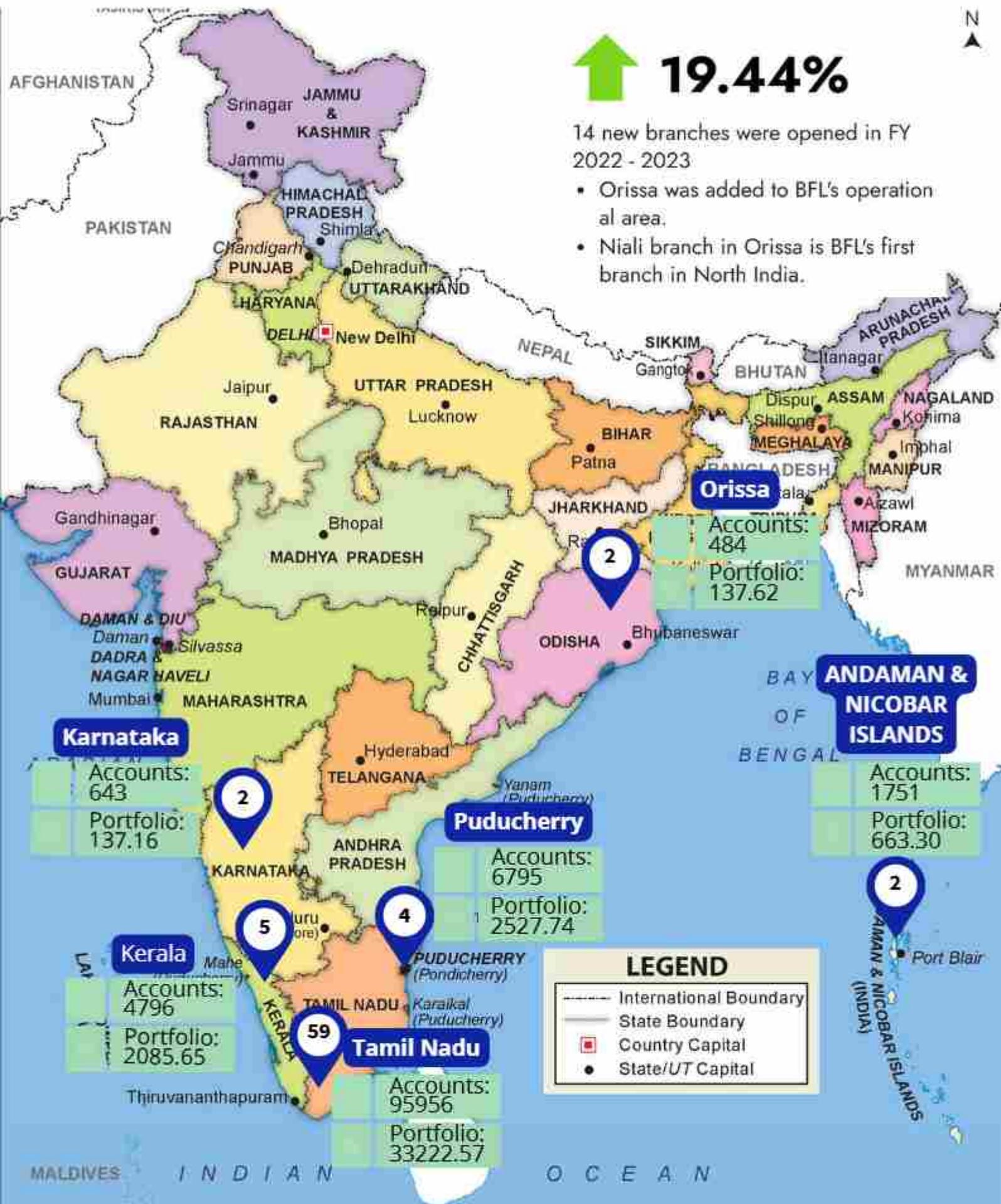
### State-wise Borrowers



**↑ 19.44%**

14 new branches were opened in FY 2022 - 2023

- Orissa was added to BFL's operational area.
- Niali branch in Orissa is BFL's first branch in North India.



BWDA Finance Limited extended its branch network by opening 14 new branches in FY 2022 - 2023. BFL started operations in North India by adding a new state - Orissa to BFL's operational area. Niali branch in Orissa is BFL's first branch in North India. The details of the new branches are tabulated below:

#	Branch Name	Date
1.	Krishnagiri	13.05.2022
2.	Kancheepuram	17.06.2022
3.	Paliyodu	02.09.2022
4.	Panachamoodu	02.09.2022
5.	Manavalankurichi	02.09.2022
6.	Niali	04.11.2022
7.	Bhuvaneshwar	05.11.2022
8.	Puri	22.01.2023
9.	Khruda	23.01.2023
10.	Perambalur	23.02.2023
11.	Attur	13.03.2023
12.	Nakhara	29.03.2023
13.	Pipili	30.03.2023
14.	Vadanapally	30.03.2023



**Niali Branch Opening and Disbursement to Borrowers**



**Bhubaneswar Branch Opening**



**Nakhara Branch Opening**

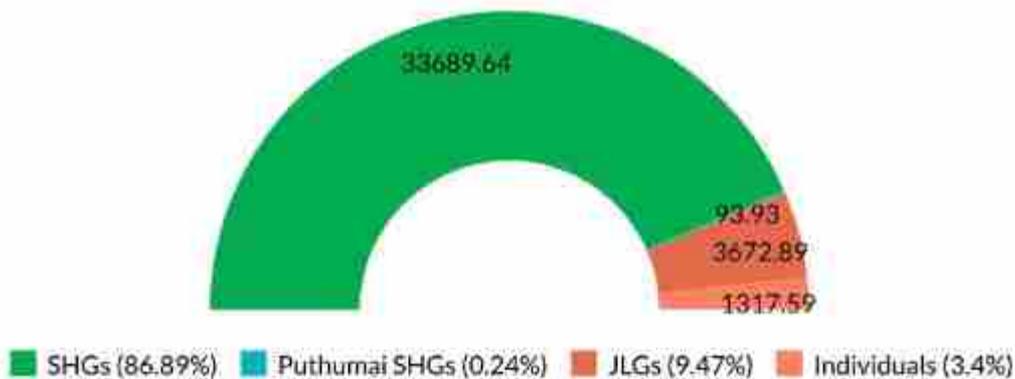


**Krishnagiri Branch Opening**

# Product Portfolio

BWDA Finance Limited's goal is to provide a range of financial services that align with the needs and aspirations of the underserved population while promoting financial inclusion and socio-economic development. BFL offers a market led product suite that offers financial solutions to low income households as SHG products, JLG products and individual products. They cover a wide range of low - income households' needs and also contribute to the United Nations Sustainable Development Goals in addition to facilitating financial inclusion. BFL's products are offered at rates lower than the market rates and BFL has special low cost financing for vulnerable population like widows, destitute, transgender members and for water and sanitation.

Loan Type



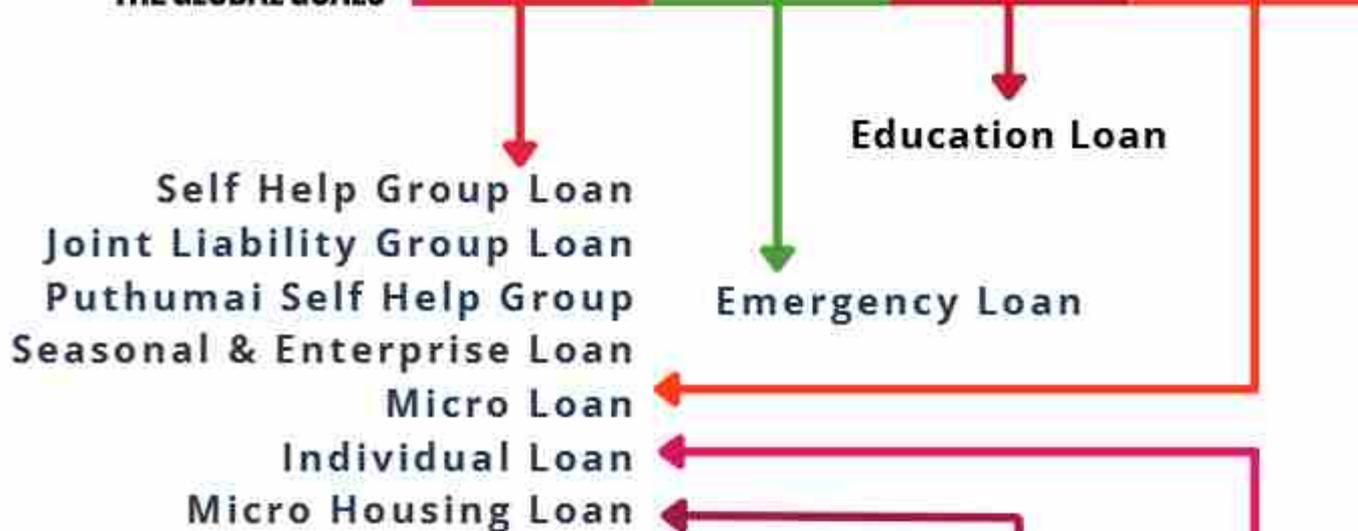
Loan Purpose



# FINANCIAL INCLUSION TO FURTHER SUSTAINABLE DEVELOPMENT GOALS



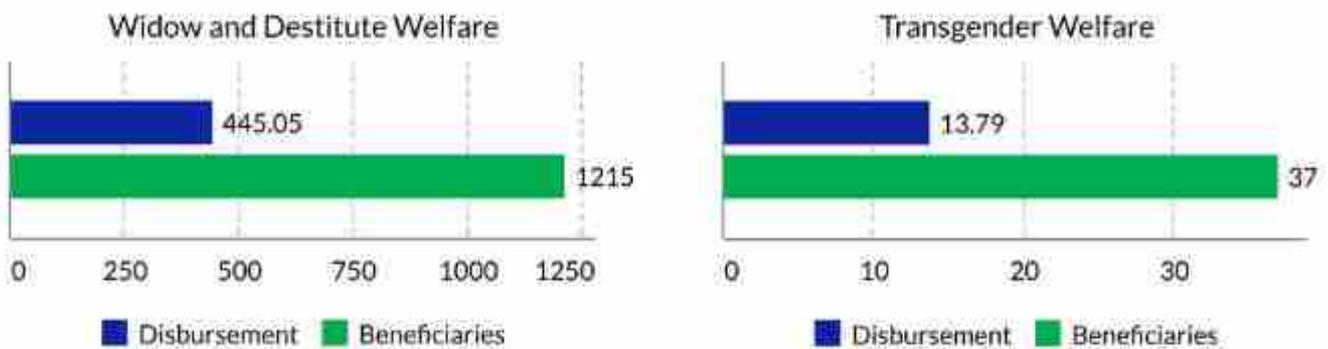
THE GLOBAL GOALS



# Finnovations

BWDA Finance Limited designs innovative solutions to meet the needs of the vulnerable population and to help further the United Nations Sustainable Development Goals (UN SDGs). Holistic development is at the heart of BFL's initiatives and financial inclusion is the tool through which BFL achieves it. Two key initiatives of BFL are the 'Pudhumai' SHGs (Self Help Groups) – BWDA Widows and Destitute Welfare Program and the B-WaSH – BWDA Water Sanitation and Hygiene Program.

## 'PUDHUMAI' SHGS (SELF HELP GROUPS) – BWDA WIDOWS AND DESTITUTE WELFARE

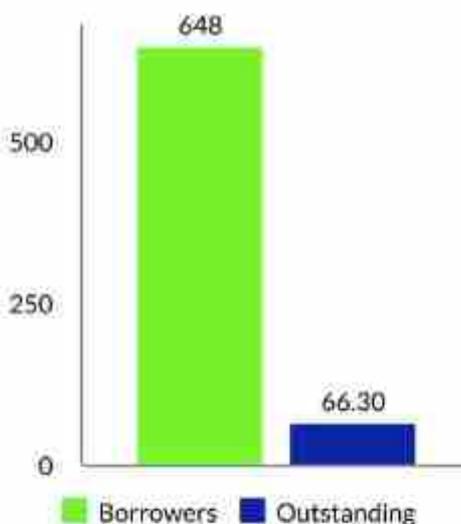


BWDA Finance Limited has taken the initiative to uplift the social standing of widows and destitute women, who often face societal stigma and lack the necessary support to sustain themselves. Their program aims to empower these women by transforming them into micro-entrepreneurs. Through this program, the BWDA offers low-cost financial opportunities with an interest rate of 18%, along with comprehensive training in livelihood skills and capacity development. To foster a sense of community and support, the initiative establishes 'Pudhumai' groups, each consisting of 10 widows or destitute women. In addition to financial assistance, the BWDA is dedicated to raising awareness and motivation among these women. This effort has positively impacted more than 5000 widows. Through the formation of 168 Pudhumai groups comprising 1,863 members, the organization has facilitated a total of over INR 128.25 lakhs to empower these women economically. During the challenging period of the COVID-19 pandemic, the BWDA extended its support by providing relief supplies to 3,191 widows, offering a helping hand during the crisis. BFL also works with transgender community and links them to microcredit. BFL has disbursed INR 4.45 cr to 1215 members. BFL through BWDA distributed relief supplies to 32000 transgender beneficiaries during COVID-19 pandemic.

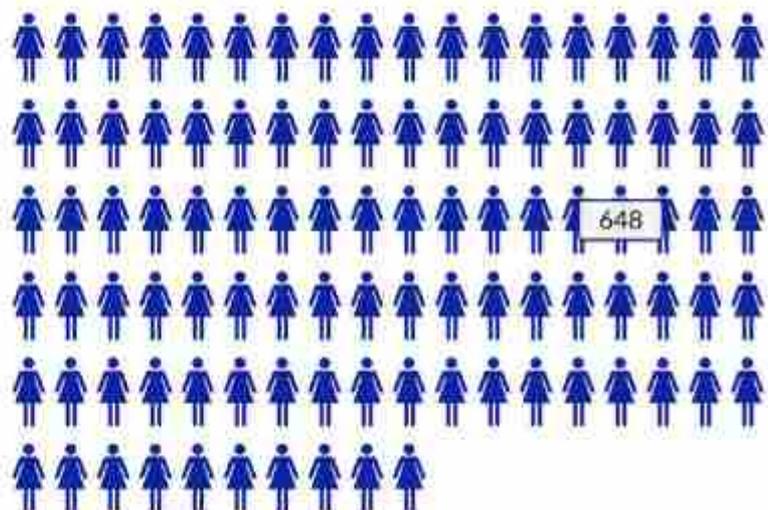
## B-WASH – BWDA WATER SANITATION AND HYGIENE PROGRAM

The BWDA Water Sanitation and Hygiene Programme, known as B-WaSH, has a focused objective of ensuring access to safe drinking water and proper sanitation for low-income households. This initiative is geared towards raising awareness and providing financial support for the development of Water, Sanitation, and Hygiene (WSH) infrastructure. The B-WaSH program is jointly implemented by BFL, BWDA, and Water.org. Through its efforts, BWDA has successfully raised awareness among a substantial 1,286,409 beneficiaries. Furthermore, they have played a crucial role in facilitating a noteworthy INR 6493.30 Lakhs in water credit. This financial support has been instrumental in establishing 57,837 safe water connections and constructing hygienic toilets, ultimately benefiting a significant population of 345,505 individuals. As part of its continuous commitment to improving water and sanitation conditions, BWDA is now focusing on expanding its efforts. They are actively exploring the establishment of community drinking water plants and the implementation of sanitation facilities that are both resource-efficient and environmentally friendly.

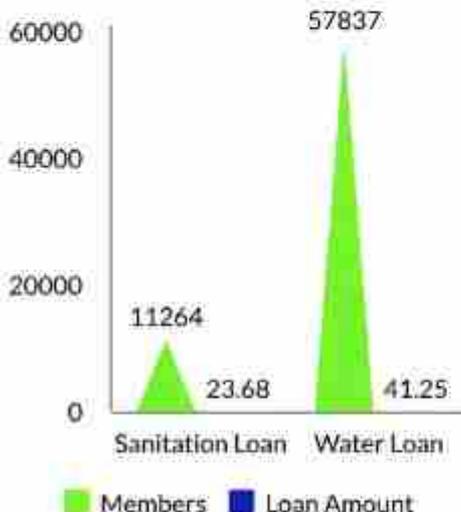
BWASH Portfolio



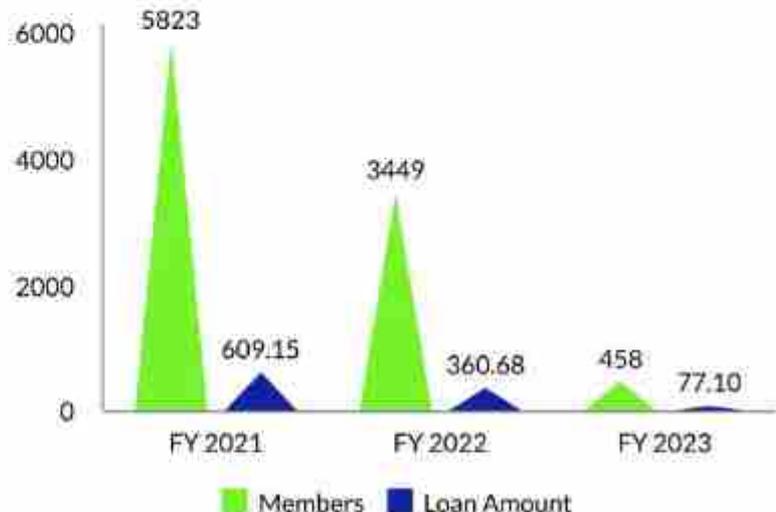
BWASH Beneficiaries



BWASH Loan Type



BWASH Disbursement



# BWDA WATER, SANITATION AND HYGIENE PROGRAMME



B-Wash project focuses on promotion of water, sanitation and hygiene awareness and credit facilitation for safe drinking water connections and construction of hygienic toilets.

Project Partners:



Maanaveeya Development & Finance Private Limited



CULTURAL PROGRAMMES	:	49889
WSH INTRODUCTION	:	176470
WSH TRAINING	:	84620
HEALTH EDUCATION	:	75237
MASS AWARENESS CAMPAIGNS	:	900193



#AWARNNESS PROGRAMME BENEFICIARIES  
**1286409**



# LOANS  
**69101**

# WATER CREDIT BENEFICIARIES  
**345505**

# WATER CREDIT DISBURSED  
**INR. 64.93cr**



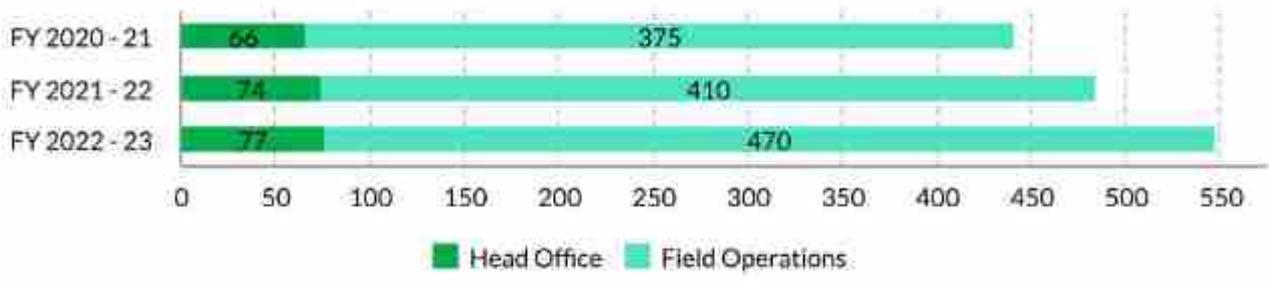
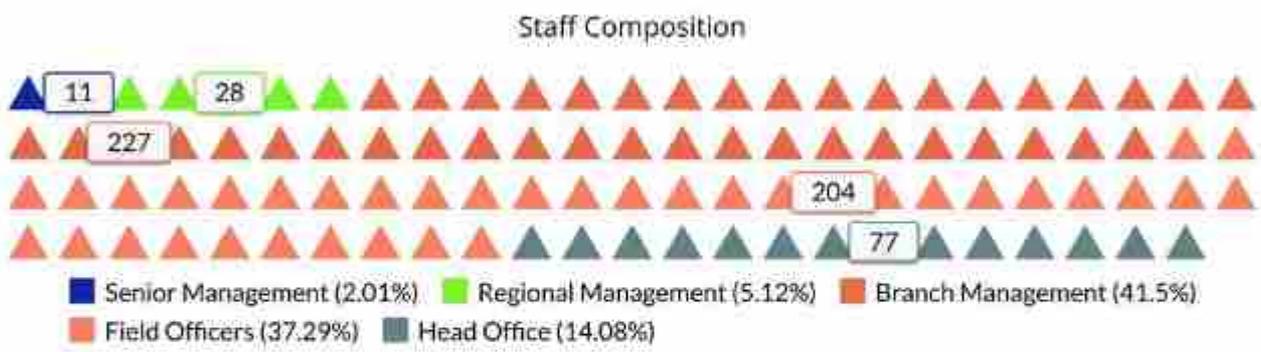
#TOILETS CONSTRUCTED  
**11264**  
(INR. 23.68cr)



#WATER CONNECTIONS  
**59165**  
(INR. 41.25cr)

# Human Capital

BWDA Finance Limited's human capital plays a crucial role in shaping the Institution's success and impact. BFL has a well-experienced staff team with extensive experience in microfinance, banking, and development work. BFL's field team has strong customer engagement skills with a good understanding of the grassroots-level dynamics. BFL's field force is primarily women to facilitate better interaction with our beneficiaries, who are primarily women. BFL's middle management and branch management teams are primarily composed of staff who have by their dedicated efforts raised from the field team. BFL's senior management and top management are composed of a vibrant mix of industry experts with decades of experience and young talent with a vision to empower the community. Together they work for the growth of the company and its beneficiaries.





**Head Office Team**



**North Division Team**



**Central Division Team**



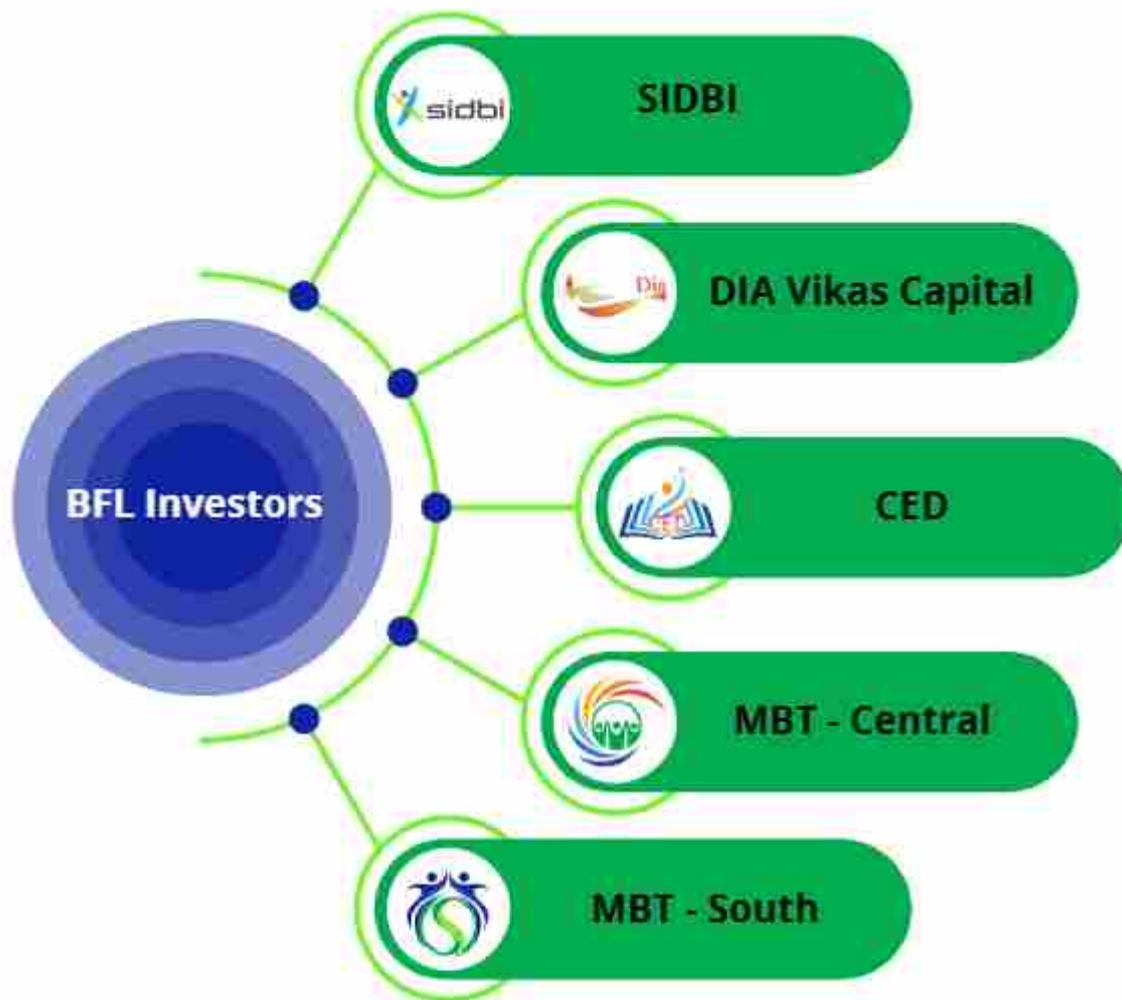
**South Division Team**

# Corporate Governance

Corporate Governance is the cornerstone of our company's commitment to transparency, accountability, and ethical business practices. Throughout the fiscal year, we have diligently upheld the highest standards of corporate governance to ensure the interests of our stakeholders are safeguarded. Our Board of Directors, consisting of diverse and experienced individuals, have continued to provide strategic oversight, setting forth a clear vision and long-term objectives for sustainable growth. In alignment with best practices, we maintained an independent and well-structured Board, with separate roles of Chairperson and MD. Our robust governance framework facilitated effective decision-making, risk management, and compliance with applicable laws and regulations. Regular board meetings fostered open discussions on strategic matters, risk assessment, and performance evaluation. Ethics and integrity remained at the core of our operations. Our Code of Conduct guides every employee in upholding our values and maintaining a culture of honesty and respect. Our commitment to diversity and inclusion was exemplified in our workforce composition, with a focus on increasing the participation of women in leadership positions. Equal opportunity policies were reinforced, providing women with a platform to excel and contribute meaningfully at all levels. The past year saw us enhance shareholder communication through timely and accurate disclosures, ensuring a comprehensive understanding of our financial health and strategic direction. Looking ahead, we remain dedicated to further advancing our corporate governance practices, fostering sustainable growth, empowering women in leadership roles, and maintaining the trust of all our stakeholders.



# Investors



- **Small Industries Development Bank of India (SIDBI)**, set up on April 2, 1990, under an Act of the Indian Parliament, acts as the Principal Financial Institution for the Promotion, Financing, and Development of the Micro, Small, and Medium Enterprise (MSME) sector and for coordination of the functions of the institutions engaged in similar activities.
- **Dia Vikas Capital Pvt. Ltd India** is a subsidiary of global microfinance and enterprise development impact investor–Opportunity International Australia, a member of the Opportunity International Network. Dia Vikas was established in early 2008 as a social investor to fill the gap in social investment and support the growth of the Indian microfinance sector.
- **CED, Centre for Development Education** works to promote national integration and organizes awareness campaigns, seminars, conferences, competitions, exhibitions, and training programs.
- **Mutual Benefit Trusts (MBT)** were formed for the purpose of consolidating the community shares holding. The prime objective of the trust is to help improve the economic and social conditions, particularly of rural and urban poor women.







■ விழாபுரம் பஸ்டா தனிமார் தொண்டு தலைமையில் 38-வது ஆண்டு தொடக்க விழா கட்டிடக்கலை அமைச்சர் பொன்னுமலை தலைமையில் நடைபெற்றது.

**விழாபுரம் தனிமார் தொண்டு திறங்களை 38-வது ஆண்டு விழா**  
**200 பேருக்கு ரூ.3 லட்சம் மதிப்பில் நல உதவிகள்**

விழாபுரம் பஸ்டா தனிமார் தொண்டு திறங்களை 38-வது ஆண்டு தொடக்க விழாவை அமைச்சர் பொன்னுமலை தலைமையில் நடைபெற்றது. 200 பேருக்கு ரூ.3 லட்சம் மதிப்பில் நல உதவிகள் வழங்கினார்.

**அமைச்சர் பொன்னுமலை விழாவின்பு**

பொன்னுமலை திறப்பு விழாவுகளை கவனிக்கக் கூடிய, முன்னாள் தளபதி தலைமையில் நடைபெற்றது. 200 பேருக்கு ரூ.3 லட்சம் மதிப்பில் நல உதவிகள் வழங்கினார். அமைச்சர் பொன்னுமலை தலைமையில் நடைபெற்றது. 200 பேருக்கு ரூ.3 லட்சம் மதிப்பில் நல உதவிகள் வழங்கினார்.



பஸ்டா 38-வது ஆண்டு தொடக்கவிழா

**180 மூத்த குடிமக்களுக்கு ஊட்டச்சத்து பொருட்கள் அமைச்சர் செஞ்சி மஸ்தான் வழங்கினார்**

மலேசியா தலைநகரில் 180 மூத்த குடிமக்களுக்கு ஊட்டச்சத்து பொருட்கள் வழங்கினார். அமைச்சர் செஞ்சி மஸ்தான் தலைமையில் நடைபெற்றது. 180 மூத்த குடிமக்களுக்கு ஊட்டச்சத்து பொருட்கள் வழங்கினார்.

தமிழ்நாடு தலைநகரில் 180 மூத்த குடிமக்களுக்கு ஊட்டச்சத்து பொருட்கள் வழங்கினார். அமைச்சர் செஞ்சி மஸ்தான் தலைமையில் நடைபெற்றது. 180 மூத்த குடிமக்களுக்கு ஊட்டச்சத்து பொருட்கள் வழங்கினார்.



■ விழாபுரம் பஸ்டா தனிமார் தொண்டு திறங்களை 38-வது ஆண்டு தொடக்க விழா கட்டிடக்கலை அமைச்சர் பொன்னுமலை தலைமையில் நடைபெற்றது.

**தாய், தந்தையை மதிப்பது முதல் கடமை**

புதுச்சேரி தாய், தந்தையை மதிப்பது முதல் கடமை. தாய், தந்தையை மதிப்பது முதல் கடமை. தாய், தந்தையை மதிப்பது முதல் கடமை.

**கவானர் தமிழிசை அறிவுரை**

தாய், தந்தையை மதிப்பது முதல் கடமை. தாய், தந்தையை மதிப்பது முதல் கடமை. தாய், தந்தையை மதிப்பது முதல் கடமை.



ஆலங்குளம் பஸ்டா கிளை சார்பில் மூத்த குடிமக்கள் தின விழா

ஆலங்குளம் பஸ்டா கிளை சார்பில் மூத்த குடிமக்கள் தின விழா. அமைச்சர் செஞ்சி மஸ்தான் தலைமையில் நடைபெற்றது. 180 மூத்த குடிமக்களுக்கு ஊட்டச்சத்து பொருட்கள் வழங்கினார்.

ஆலங்குளம் பஸ்டா கிளை சார்பில் மூத்த குடிமக்கள் தின விழா. அமைச்சர் செஞ்சி மஸ்தான் தலைமையில் நடைபெற்றது. 180 மூத்த குடிமக்களுக்கு ஊட்டச்சத்து பொருட்கள் வழங்கினார்.







# INSTITUTIONAL PERFORMANCE

ANNUAL REPORT FY 2023





# Key Highlights

MARCH 2022

Data as of 31 March 2023 / till 31 March 2023

<b>ASSET UNDER MANAGEMENT</b> ₹ 38775.04	<b>OWN PORTFOLIO</b> ₹ 14977.49 ▲ 20.01%	<b>MANAGED PORTFOLIO</b> ₹ 23797.55 ▲ 224.90%	<b>PORTFOLIO COMPOSITION</b>  OWN (38.63%) MANAGED (61.37%)	<b>PORTFOLIO INCREASE</b> ↑ 95.61%
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**PORTFOLIO DETAILS (31 MARCH 2023)**

■ Portfolio

■ BFL (49.59%) ■ IDI (9.18%) ■ LDC (0.03%) ■ MXO (3.05%) ■ SBI (38.15%)

<b>REPAYMENT RATE</b> 97.45%	<b>ARREAR RATE</b> 1.05%
---------------------------------	-----------------------------

**MEMBER BASE (31ST MARCH 2023)**

■ Groups (100%)

■ Members (100%)

**DISBURSEMENT FY 2022-23**

₹ 35930.40

■ Loan Amount ■ Members

■ Own (31.95%) ■ Managed (68.05%)

■ Own (45.89%) ■ Managed (54.11%)

**CUMMULATIVE DISBURSEMENT (TILL 31ST MAR 2023)**

₹ 175050.56

■ Loan Amount (100%)

■ Borrowers (100%)

● Women (99.92%) ● Men (0.08%)

● SHGs (87.9%) ● JLGs (12.1%)

**SPECIAL BENEFICIARY LOANS**

Transgender: Amount 13.97, Loan OSB 6.82

Widows: Amount 445.05, Loan OSB 94.12

■ Amount ■ Loan OSB

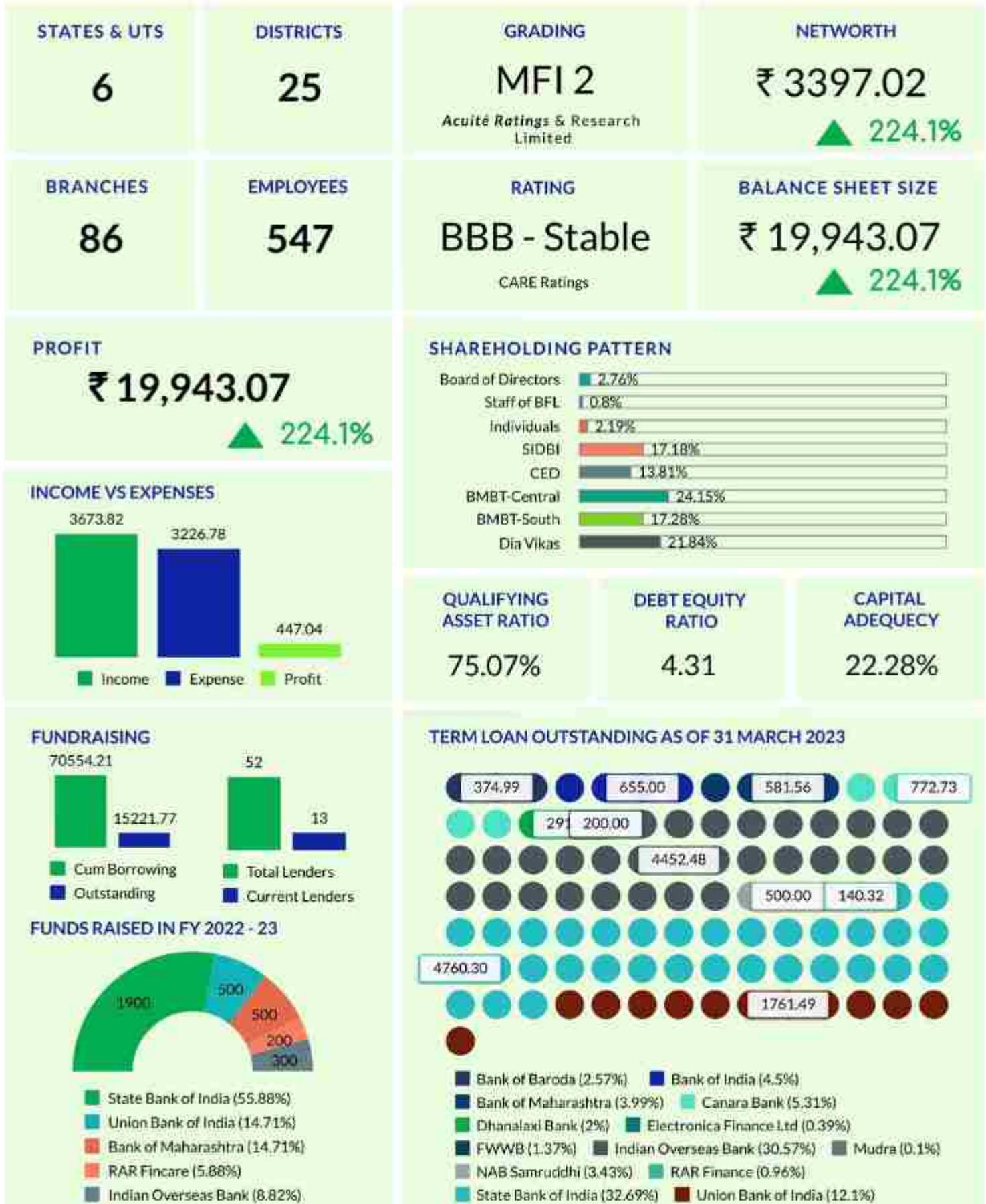
Amount in lakhs



# Key Highlights

MARCH 2022

Data as of 31 March 2023 / till 31 March 2023



# Operational Performance

The AUM as of 31st March 2023 is INR.38775.04 lakhs. The breakup of the own and managed portfolio is INR.14977.49 lakhs and INR.23797.55 lakhs respectively. The own and managed portfolio contributes to 59% and 61% of the total portfolio respectively.

The AUM increased by 96% and the own and managed portfolios increased by 20% and 225% respectively. SBI contributes to 52.53% of the total managed portfolio with a loan outstanding of INR.23796.56 lakhs. The SBI managed portfolio has increased by 228% as it has increased from INR. 6212.63 lakhs to INR. 20366.55 lakhs.

The transfer of IDBI BC portfolio of INR. 300 lakhs from BWDA Society had a positive impact on BFL's Managed Portfolio. The limit was further revised to INR. 400 lakhs. The IDBI outstanding as of March 31, 2023 was

Disbursement increased by 86.66% in FY 2022 - 23 when compared to FY 2021 - 22. Disbursement in own portfolio was INR.11722.97 lakhs to 31605 borrowers and managed portfolio was INR. 24206.03 lakhs to 37263 borrowers.



## ASSET UNDER MANAGEMENT

₹ 38775.04  96.13%

Borrowers: 100820

Amount in lakhs

## OWN PORTFOLIO

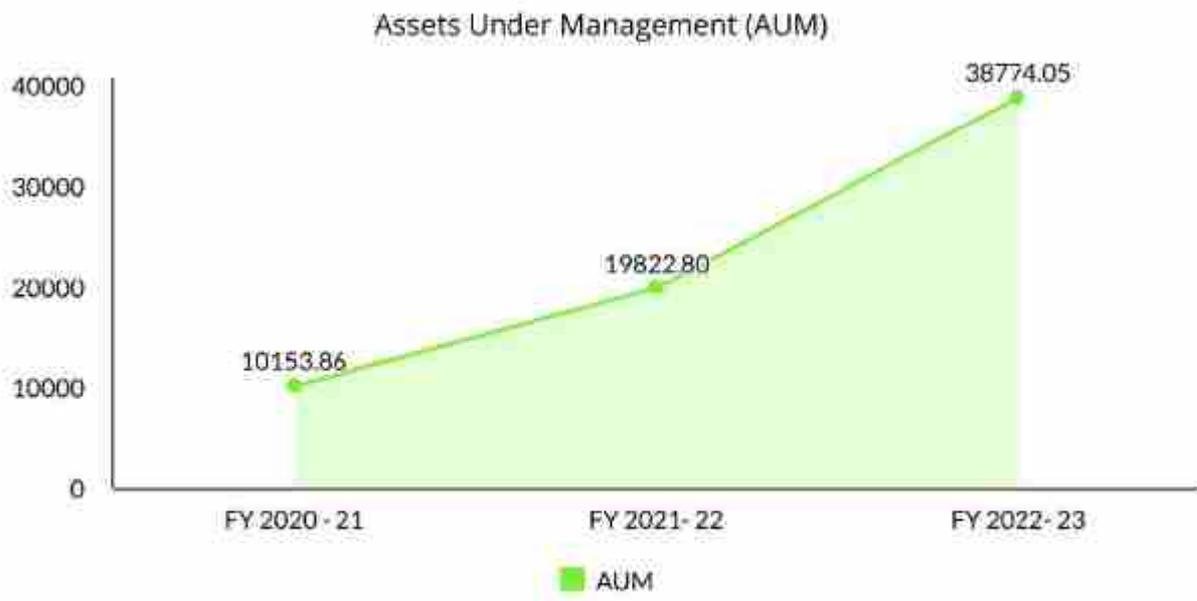
₹ 14977.49  20.01%

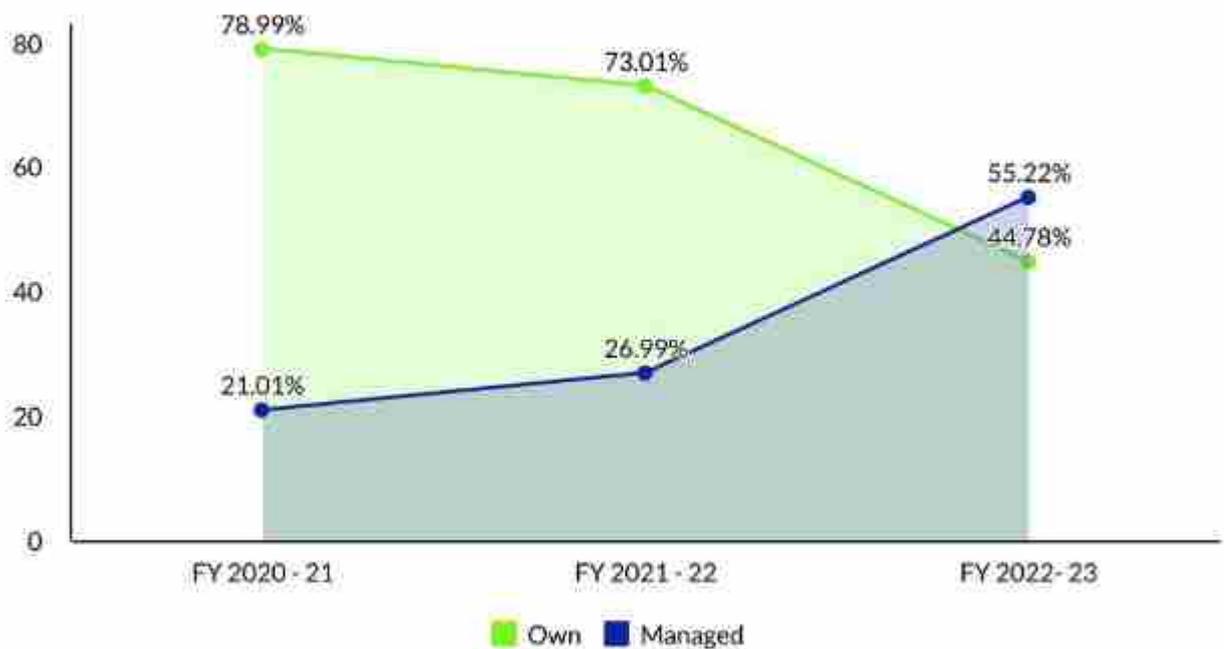
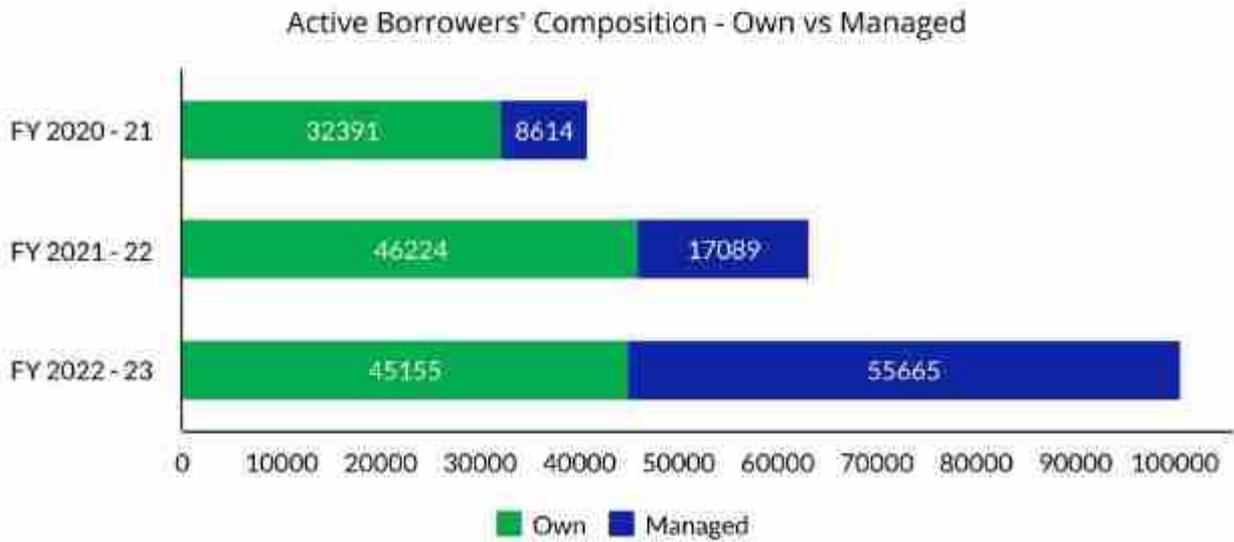
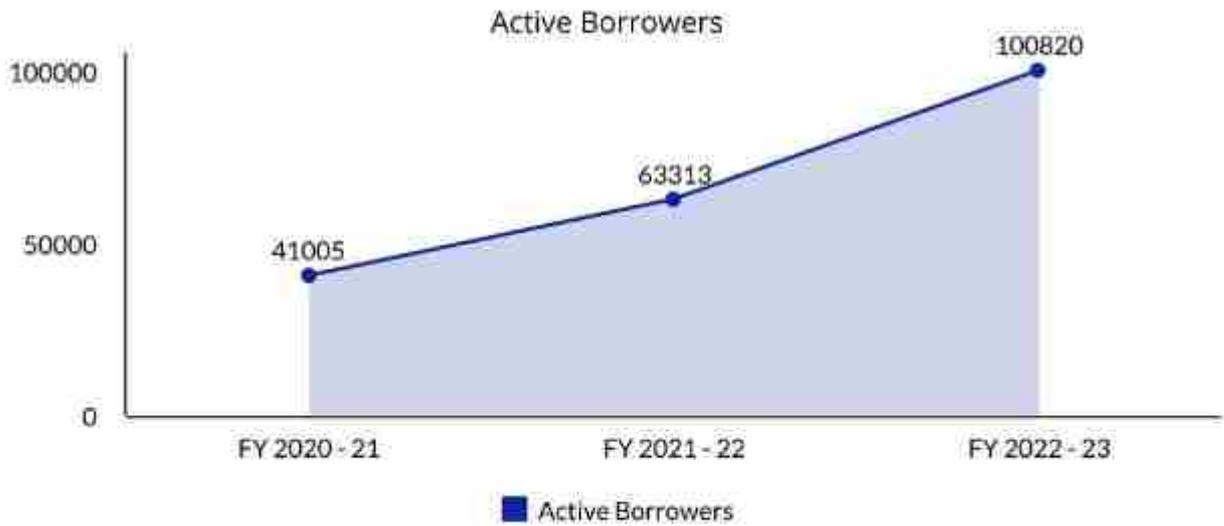
Borrowers: 45155

## MANAGED PORTFOLIO

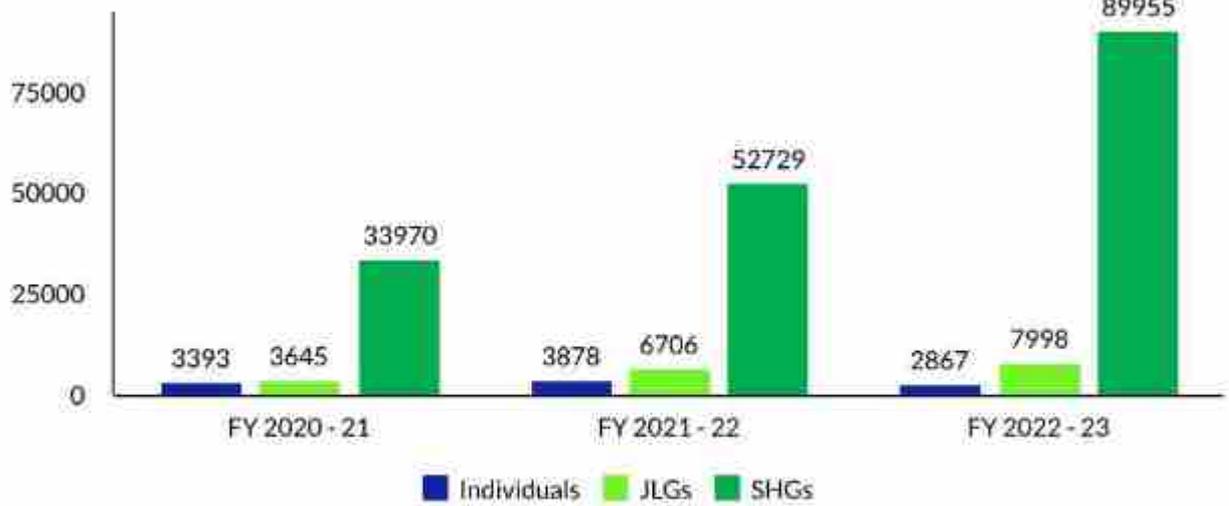
₹ 23797.55  224.90%

Borrowers: 55665





Active Borrower Type Composition



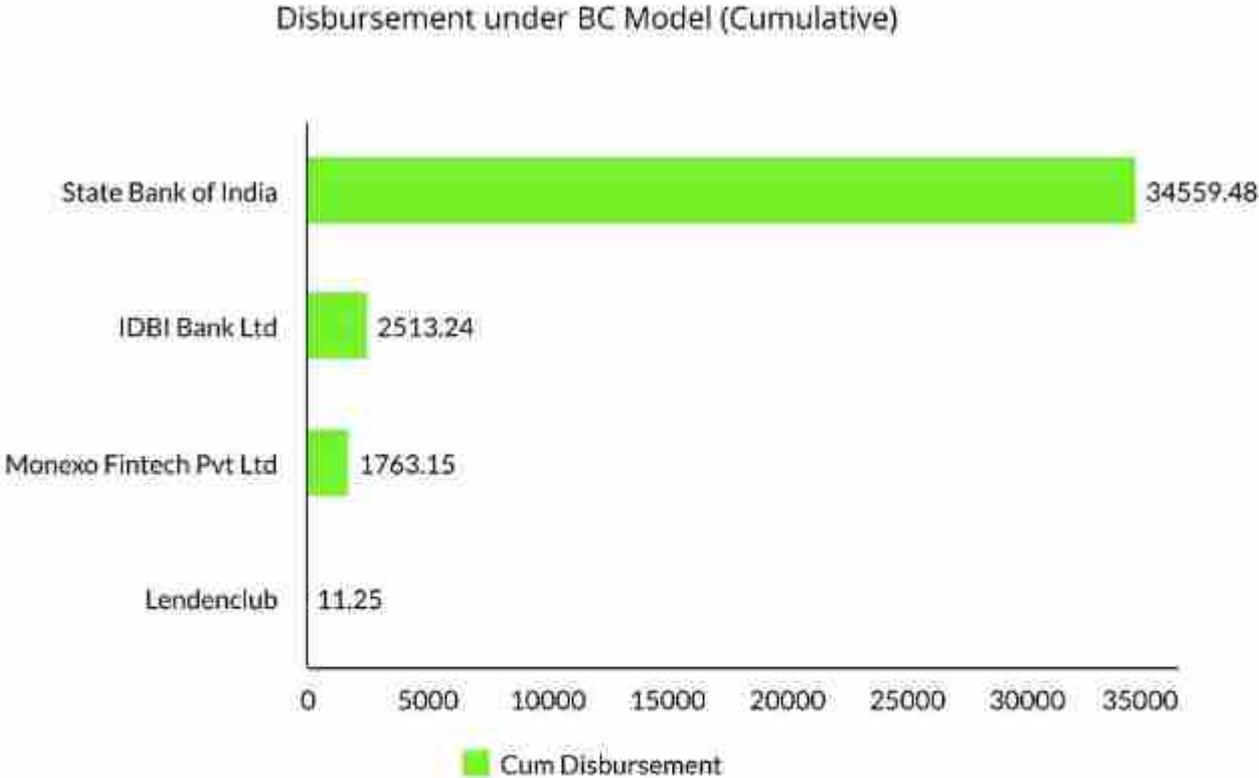
Disbursement



Disbursement - Own vs Managed



# Managed Portfolio Performance



SBI - Loan Members & Groups

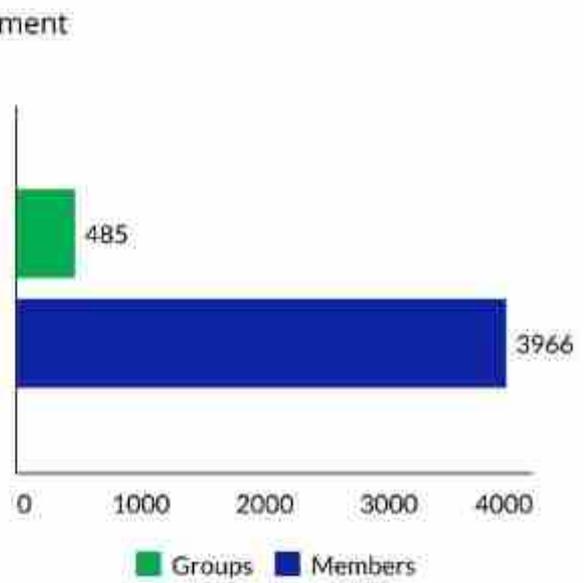
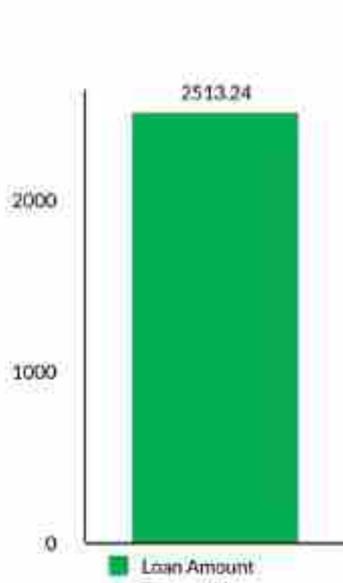
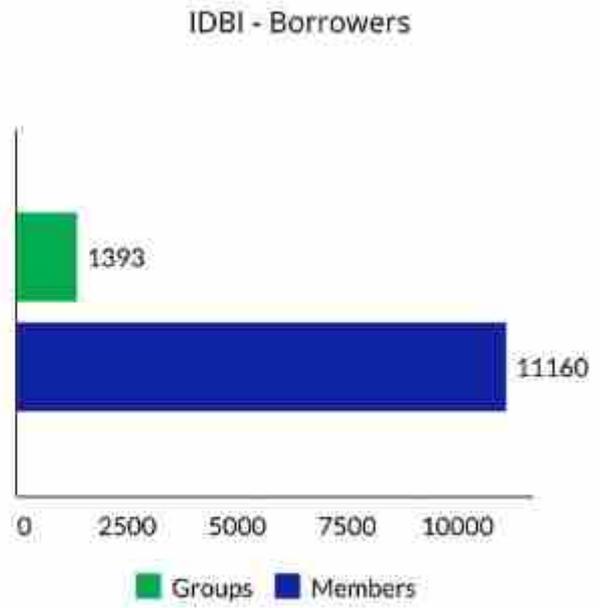
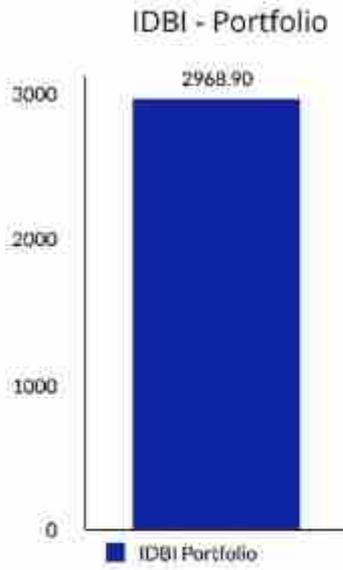


SBI - Loan Portfolio

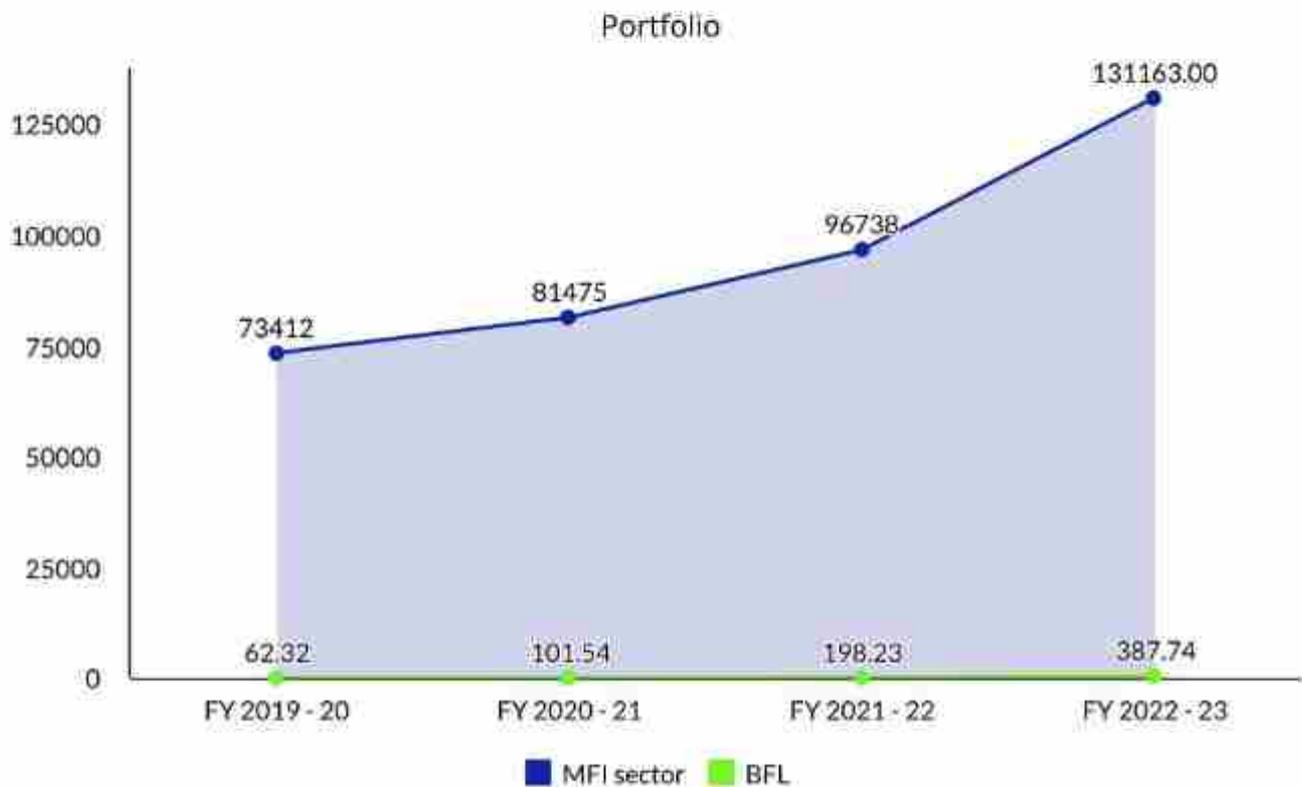


SBI - Disbursement

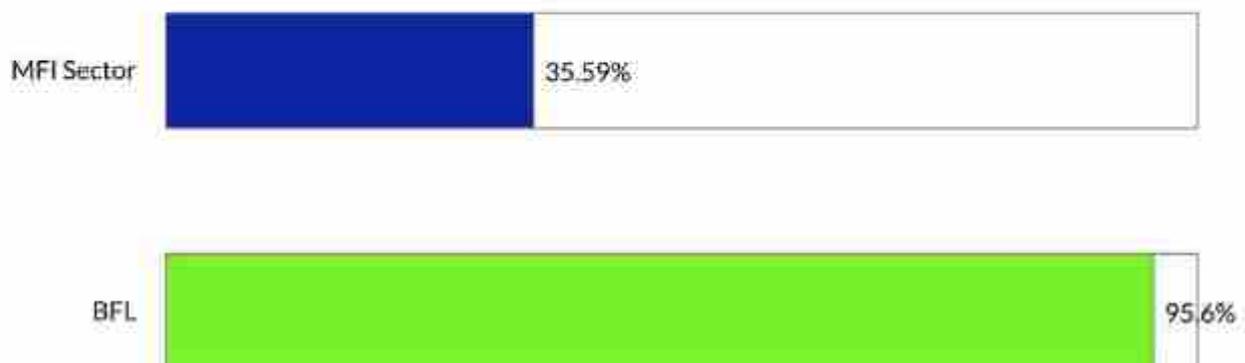




# Industry vs. BFL Performance



## % Increase in Portfolio



### Disbursement



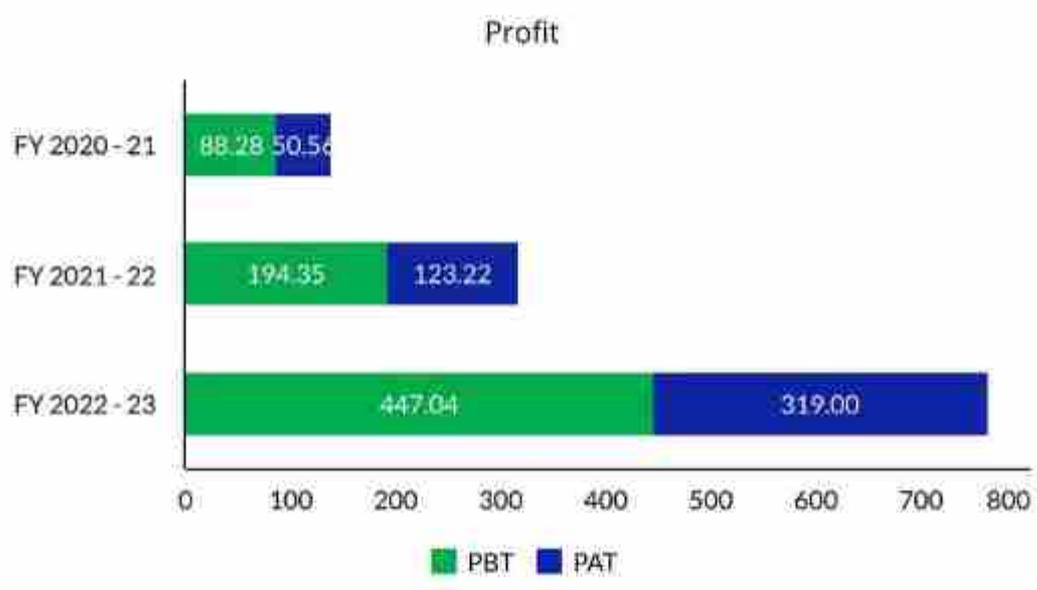
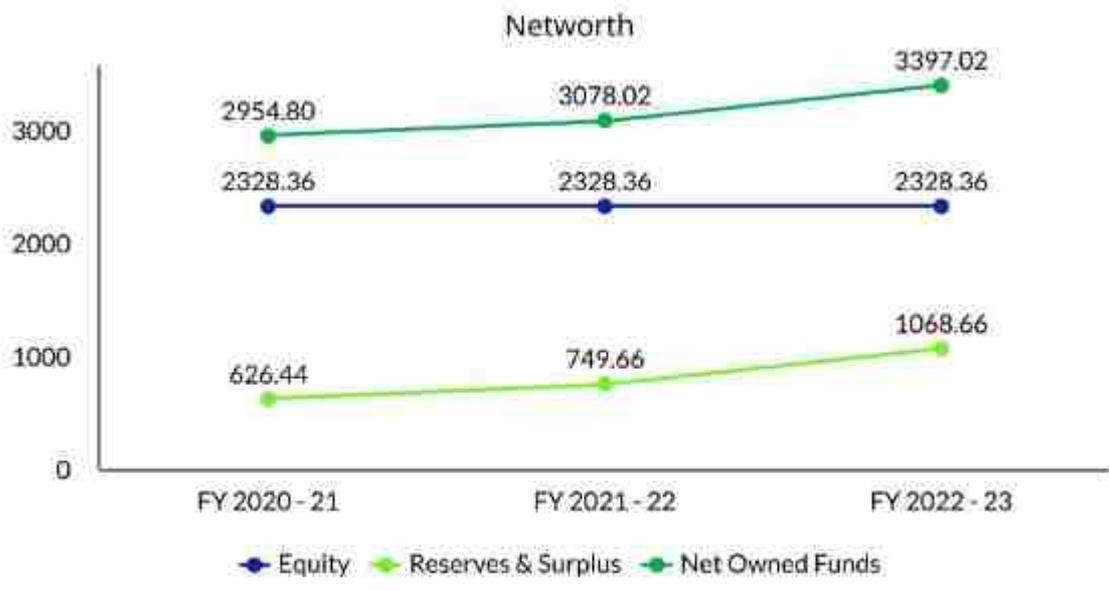
### % Increase in Disbursement

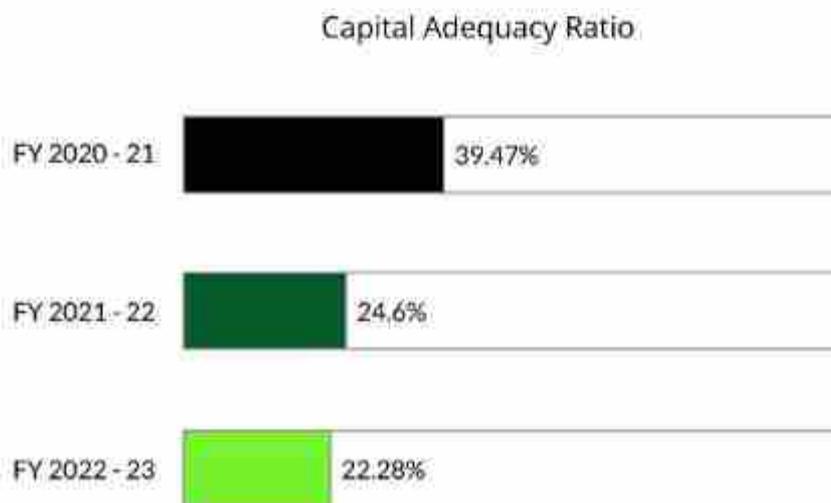


# Financial Performance



The Total Revenue during FY23 was at Rs 3673.82 Lakhs against Rs.2436.1536 Lakhs in FY22. The revenue registered a growth of 51% due to an increase in the Portfolio. During the year under review, our own portfolio has grown from Rs.12479.85 lakhs in FY 22 to Rs 14977.49 Lakhs in FY23 with a growth of 20.01%. During the year, we secured Term Loans to the tune of Rs 146.46. crores. State Bank of India supported us with a sanction of Rs 34.60 cr, from Indian Overseas Bank, Rs 30 cr, from the Union Bank of India, Rs.17 Cr from Bank of Maharashtra, Rs.5 Cr, from FWWB Rs.2 Cr. Also, we secured term loans from private lenders like NAB Samruti. Due to these additional term loans, our Debt /Equity ratio stood at 4.31 against 3.58 last year. As per RBI guidelines we extended the moratorium to the interested customers. The Gross profit dropped from Rs 319 Lakhs to Rs.447.04 lakhs in FY 23. The profitability was impacted largely due to salary revision and addition of employees to strengthen the manpower base which is required to meet the company's potential opportunities that will arise in the near future. Also, the Finance cost increased from Rs.829.82 lakhs to Rs 1188.65 lakhs mainly due to the additional term loans secured. Our Asset under management stood at Rs.387.74 cr comprising Rs.149.77cr own portfolio and Rs. 237.97 cr managed portfolio.

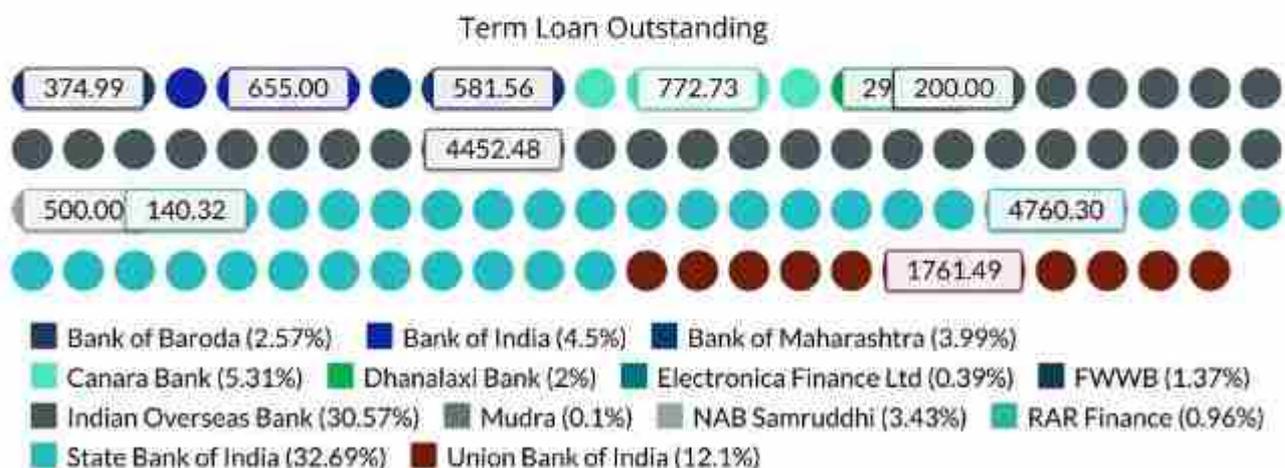
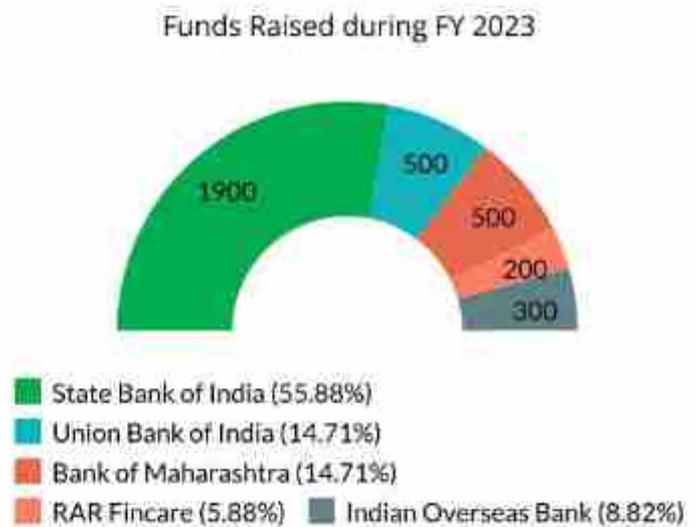
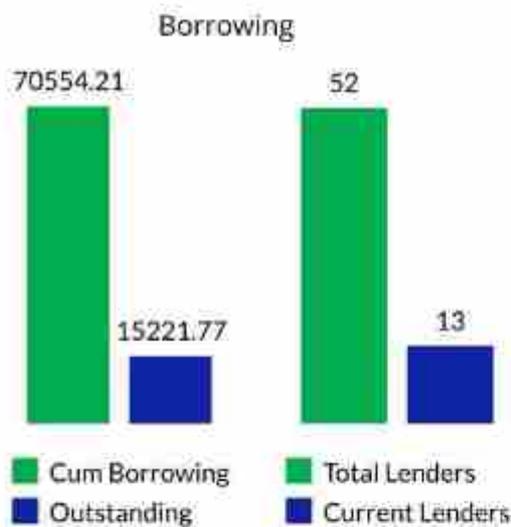




# Fundraising

BWDA Finance Limited raised INR 111 crores from various financial institutions as tabulated below

NAME	SANCTIONED LIMIT	UTILIZED LIMIT
State Bank of India	5000	3460.00
Indian Overseas Bank	3000	3000
Union Bank of India	1700	1700
Bank of Maharashtra	500	500
Nabsamruddhi Finance Limited	500	500
Friends of Women's World Banking	200	200
RAR Fincare	200	200



# SOCIAL IMPACT & DEVELOPMENT

ANNUAL REPORT FY 2023

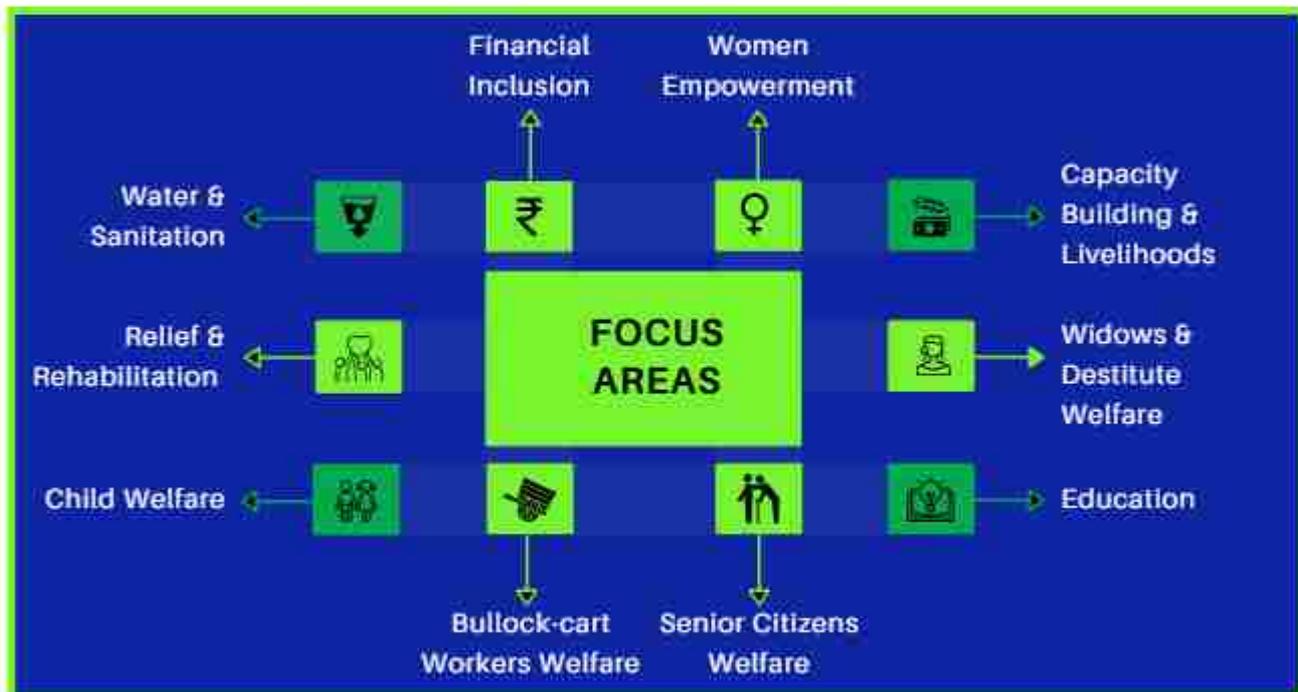


BFL believes in the holistic development of beneficiaries. BFL through the BWDA society facilitates a wide range of development initiatives to members. Focus areas include women empowerment, education, water and sanitation, capacity building and livelihood development, relief and rehabilitation, child empowerment, health and wellbeing, senior citizen welfare, widow and destitute welfare, bullock-cart workers development, environment and animal welfare. These initiatives contribute to 14 out of the 17 Sustainable Development Goals.

**BFL IMPLEMENT PROJECT IN PARTNERSHIP WITH BWDA AND OTHER DEVELOPMENT INSTITUTIONS THAT CONTRIBUTES TO 14 UN SDGS (UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS)**



**Covid 19 Awareness Campaign and Vaccine Readiness Program**



### BWDA Development Initiatives



# STATUTORY REPORTS

ANNUAL REPORT FY 2023



**BWDA FINANCE LIMITED**  
**U65921TN1995PLC030939**  
**NO858, EAST PONDY ROAD, VILLUPURAM - 605602**  
**Phone: +91-4146-240683 / 243861 Fax: +91-4146-242815**  
**Email: [info@bwda.org.in](mailto:info@bwda.org.in)**  
**Website: [www.bwdafinanceltd.in](http://www.bwdafinanceltd.in)**

# BOARD'S REPORT

To the Members

Your Directors have great pleasure in presenting the 28th Board's Report of the Company together with the Audited Financial Statements for the year ended March 31, 2023.

## FINANCIAL SUMMARY & STATE OF AFFAIRS

(In lacs)

PARTICULARS	FY 2021 - 22	FY 2020 - 21
Total Income	3673.82	2436.15
(-)Total Expenditure	3226.78	2241.80
Profit (Loss) before Tax	447.04	194.35
(-)Current Tax	200.24	70.85
(-)Deferred Tax	(72.20)	0.29
Profit (Loss) after Tax	319.00	123.22

During FY 2022-23, your company's total income was Rs. 3,673.82 Lacs, a significant increase from Rs. 2,436.15 Lacs in FY 2021-22. This growth in revenue amounted to a notable 50.80%, primarily attributed to the expansion of the portfolio.

Throughout the review year, your company's proprietary portfolio exhibited substantial growth, rising from Rs. 12,479.79/- Lacs in FY2021-22 to Rs. 14,976.43/- Lacs in FY 2022-23, reflecting an impressive increase of 20.01%.

During the same period, your company secured term loans amounting to Rs. 9,358.71 Lacs, a substantial rise from the Rs. 5,658.53 Lacs in FY 2021-22. Additionally, unsecured loans increased to Rs. 208 Lacs in FY 2022-23, compared to Rs. 56.22 Lacs in FY 2021-22.

Here are the Secured loan details received for the financial year 2022-23:

NAME	SANCTIONED LIMIT	UTILIZED LIMIT
State Bank of India	5000	3460.00
Indian Overseas Bank	3000	3000
Union Bank of India	1700	1700
Bank of Maharashtra	500	500
Nabsamruddhi Finance Limited	500	500
Friends of Women's World Banking	200	200
RAR Fincare	200	200

Consequently, due to these additional term loans, the company's debt/equity ratio increased to 4.31, compared to 3.58 in the previous year.

Gross profit experienced a substantial boost, rising from Rs. 194.35 Lacs in FY 2021-22 to Rs. 447.04 Lacs in FY 2022-23. This impressive increase of 130.02% in gross profitability was largely attributed to the expansion of the asset size.

The company's total expenses also witnessed a notable rise, escalating from Rs. 2,241.80 Lacs to Rs. 3,226.78 Lacs, reflecting a growth of 43.94%. This increase can be attributed to higher borrowings, revised employee salaries, and the expansion of branches.

The company's asset under management amounted to Rs. 38,774.05 Lacs, comprising Rs. 14,977.49 Lacs from the proprietary portfolio and Rs. 23,796.56 Lacs from the managed portfolio.

#### **DIVIDEND:**

The Board of Directors met on 19.08.2023 to take account of the full year performance, various growth opportunities. After reviewing this, the Board of Directors has decided to recommend a final dividend at the rate of 8% i.e., ` 0.80 paise per equity share of ` 10/- each for the financial year ended 31st March 2023. If the dividend is approved by the Members at the ensuing Annual General Meeting to be held on 29.09.2023, it will be paid on or before 28.10.2023 to those Members whose names appear in the Company's Register of Members as at the close of business hours on 27.09.2023.

#### **TRANSFER TO RESERVES:**

Your Company has no plan to transfer any amount to the general reserve during the year under review. However, Your Company has allocated Rs. 97.47 Lacs to the Statutory Reserve for the financial year 2023-24.

**ANNUAL RETURN:**

As required under Section 92(3), copy of Annual Return is placed on the Company's website. The web link to access the annual return is [www.bwdafinanceltd.in](http://www.bwdafinanceltd.in).

**BOARD MEETING:**

During the year Ten (10) Board Meetings were held, the intervening gap between two meetings was within the period as prescribed under the Companies Act, 2013 and MCA circulars thereon.

S.No	Date	Board Strength	No. of Directors Present
1	27.06.2022	7	6
2	28.07.2022	7	5
3	27.08.2022	7	7
4	20.09.2022	7	7
5	26.09.2022	7	7
6	29.09.2022	7	6
7	25.11.2022	7	6
8	07.12.2022	7	7
9	11.02.2023	9	8
10	25.03.2023	9	9

**COMPOSITION OF AUDIT COMMITTEE:**

The Audit Committee inter-alia oversees the financial reporting process and reviews, with the Management, the financial statements to ensure that the same are correct and credible. The Audit Committee has the ultimate authority and responsibility to select and evaluate the Independent Auditors in accordance with the applicable laws. The Audit Committee also reviews performance of the Statutory Auditors, the Internal Auditors, adequacy of the internal control system and whistle-blower mechanism.

As on March 31, 2023, the Audit Committee comprised of four (4) members including three (3) Independent Directors. Mr. Asir Raja Selvan is the Chairperson of the committee. There is no Audit Committee recommendation that was not accepted by the Board.

**VIGIL MECHANISM:**

The Company has a vigil mechanism named "Whistle Blower Policy" to deal with genuine concerns, if any, raised by the Directors / Employees. The Whistle Blower Policy is also posted on the Company's website [www.bwdafinanceltd.in](http://www.bwdafinanceltd.in).

**DIRECTORS' RESPONSIBILITY STATEMENT:**

In pursuance of Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along and there are no material departures/with proper explanation relating to material departures, if any.
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent 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 year;
- c. the directors have 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;
- d. the directors have prepared the annual accounts on a going concern basis
- e. the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DECLARATION FROM INDEPENDENT DIRECTORS:**

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet the criteria of their Independence laid down in Section 149(6) including the confirmations that their names inclusion in the Data Bank and all the Independent Directors were exempted from undergoing the online proficiency self-assessment test for the Independent Directors pursuant to Rule 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014.

During the year under review, the Independent Directors met on 30.03.2023 without the presence of Non - Independent Directors and members of the Management.

**POLICY ON DIRECTOR'S APPOINTMENT & REMUNERATION:**

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013.

We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

**AUDITORS:**

M/s. Manohar Chowdhry and Associates, Chartered Accountant, FRN. 001997S having office at 3-A Myna teppakulam First Street, East Gate, Madurai – 625001 was appointed as Statutory Auditors of the Company for a period of five years from the conclusion of the Annual General Meeting held on 28th November 2020 till the conclusion of Annual General Meeting to be held for the Financial Year ending on 31st March 2025.

The Company has received a certificate from the Auditor's firm to the effect that it would be within the limits prescribed under section 141(3) of the Companies Act, 2013.

The Auditors' Report on the Financial Statements for the year 2022-23 does not contain any qualifications, observations, or adverse remarks, except for the fact that the Board has not passed a resolution for the non-acceptance and holding of public deposits. However, the Company has since complied with this requirement in the current financial year.

**SECRETARIAL AUDITORS:**

Pursuant to the provisions of Section 204 of the Act, the Board has appointed M/s. M. K. Surana & Co, Company Secretaries in Practice, to undertake secretarial audit of the Company for FY 2023. A report from the Secretarial Auditor in the prescribed Form MR-3 is annexed to this Report as Annexure A.

There are no qualifications or observations or any adverse remarks made by the Auditors in their Report on the Financial Statements for the year 2022 - 23.

**COST AUDIT & COST RECORDS:**

The provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 relating to Cost Audit and maintaining cost audit records is not applicable to the Company

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The Company, being a non-banking financial company registered with the RBI and engaged in the business of giving loans, is exempt from complying with the provisions of section 186 of the Act in respect of loans and guarantees.

There are no investment made by the Company during the year under review.

Refer Note no: 11 in Financial Statement

**RELATED PARTY TRANSACTIONS:**

All related party transactions entered during the financial year were on an arm's length basis and in the ordinary course of business. There were no 'material'

arrangements or transactions, and therefore disclosure in form AOC-2 is not required. All related party transactions are placed before the Audit Committee and the Board for approval.

Prior approval of the Audit Committee is obtained for the transactions which are foreseen and repetitive in nature. For all the transactions entered pursuant to the prior approval so granted, a statement giving details of all such transactions is placed before the Audit Committee for their review on a quarterly basis.

**MATERIAL CHANGES AND COMMITMENTS:**

There have been no material changes and commitments, which affects the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

**THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

As required under the provisions of Section 134 of the Companies Act, 2013 in respect of conservation of energy and technology absorption, your Company's operations involve low energy consumption. Wherever possible, energy conservation measures have already been implemented and there are no major areas where further energy conservation measures can be taken.

There was no Foreign Exchange Earnings and outgo during the year under review.

**RISK MANAGEMENT POLICY:**

The Board of Directors has adopted a Risk Management Policy which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

The details of risk management policy put in the website of the Company [www.bwdafinanceltd.in](http://www.bwdafinanceltd.in)

**CORPORATE SOCIAL RESPONSIBILITY:**

The Company doesn't satisfy the criteria under Section 135 of the Companies Act, 2013, therefore spending towards CSR Activity does not arise during the Financial Year 2022-23

**FORMAL ANNUAL EVALUATION OF BOARD:**

The Company is not required to have a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors as it does not fall within the purview of Section 134(3)(p) of the Companies Act, 2013 read with rule 8 of Company (Accounts)

Rules, 2013.

**THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:**

The following were the changes in the Board of Directors and Key Managerial Personnel during the year under review:

<b>Name</b>	<b>Nature of Change</b>	<b>With Effective from (w.e.f)</b>
Mr. M. U. Ravikumar	Appointed as Company Secretary of the Company	01.08.2022
Mr. Balajirangarajan Raghavan	Appointed as Chief Financial Officer of the Company	18.08.2022
Mr. R. Ganesh	Resigned as Chief Financial Officer of the Company	27.08.2022
Mrs. Shirley Thomas	Appointed as Additional Independent Director	07.12.2022
Mr. R Prakash	Appointed as Additional Independent Director	07.12.2022
Dr. Joslin C Thambi	Re - Appointed as Managing Director	01.01.2023
Mr. M.U. Ravikumar	Resigned as Company Secretary of the Company	30.04.2023

**THE COMPANIES WHICH HAVE BECOME OR CEASED AS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:**

No Company which have ceased or became subsidiaries, joint ventures or Associate Companies during the year.

**CREDIT RATING:**

Your company has maintained a credit rating of "BBB-" as assigned by a reputable credit rating agency – Acuite Ratings & Research.

**DEPOSIT:**

The Company is a non-deposit taking Non-Banking Financial Company-Micro Finance

Institution (NBFC-MFI) and has not accepted any deposit as defined by the Companies Act, 2013.

**THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

**THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit function is carried out by an independent firm of Chartered Accountants. The scope and authority of the Internal Audit function is defined by the Audit Committee. The Internal Audit Reports are placed before the Audit Committee on a quarterly basis for its scrutiny and suggestions, if any.

The Internal Auditor attends the Audit Committee meetings. The Internal Auditors monitor and evaluate the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the Report of the Internal Auditors, the Company undertakes corrective action in the respective areas and strengthens controls.

**COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has complied with applicable Secretarial Standards for Board and General Meetings held during the year under review.

**COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace and an Internal Complaints Committee in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder for reporting and conducting inquiry into the complaints made by the victim on the harassments at the workplace. The functioning of the Committees was carried out as per letter and spirit of the provisions of the Act.

Disclosure as required under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(a) Number of complaints filed during the financial year : Nil

(b) Number of complaints disposed of during the financial year : Nil

(c) Number of complaints pending as on end of the financial year : Nil

**DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:**

Not Applicable

**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:**

Not Applicable

**OTHER DISCLOSURES:**

No frauds were reported by the auditors under sub-section 12 of section 143 of the Companies Act, 2013. However, there is an instance of embezzlement of funds amounting to Rs. 16,21,030/- at various branches during the year under review, for which investigations are in progress and the employees have been dismissed. Your Company has a strong belief that the full amount is recoverable.

The Company has not revised Financial Statements as mentioned under Section 131 of the Companies Act, 2013.

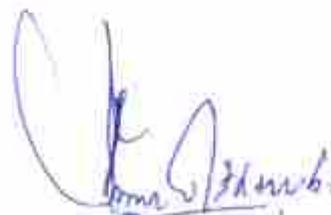
Remuneration details as per Section 197(12) & Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 enclosed as Annexure - B.

**ACKNOWLEDGEMENTS:**

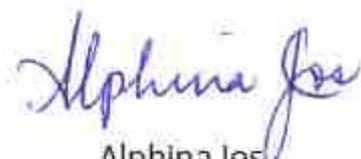
The Directors wish to place on record their appreciation and sincerely acknowledge the contribution and support from shareholders, customers, Central and State Governments, Bankers, Reserve Bank of India, Registrar of Companies, Registrar & Share Transfer Agents, Credit Rating Agencies and other Statutory and Regulatory Authorities for their kind cooperation and assistance provided to the Company. The Directors also extend their special appreciation to all the employees for their continuing support and unstinting efforts in ensuring an excellent all-round operational performance and also for their continued commitment, dedication and cooperation.

For and on Behalf of the Board of Directors  
BWDA Finance Limited

Place: Chennai  
Date: 19.08.2023



Dr. Joslin C Thambi  
Managing Director  
DIN: 01596878



Alphina Jose  
Deputy Managing Director  
DIN: 05107646

# Annexure – A

**M.K. SURANA & CO.**  
*Company Secretaries*

**M. KAVITHA SURANA, B. Com., FCS**  
*Insolvency Professional*

**"S U S Bhawan"**  
2, Vimala Street, Ayyavoo Colony,  
Aminjikarai, Chennai – 600 029  
Phone: 23633680, 49571241  
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**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
M/s. BWDA Finance Limited,  
No 858, East Pondy Road,  
Villupuram - 605602

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. BWDA Finance Limited – CIN – U65921TN1995PLC030939 (herein after called "the Company"). Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of M/s. BWDA Finance Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2023, generally complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes book, forms and returns filed and other records maintained by M/s. BWDA Finance Limited ("The Company") for the financial year ended on 31<sup>st</sup> March, 2023 according to the applicable provisions of:

**M.K. SURANA & CO.**  
*Company Secretaries*

**M. KAVITHA SURANA, B. Com., FCS**  
*Insolvency Professional*

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E-mail:kavitha@mksurana.com

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- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - (iii) The Depositories Act and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings, wherever applicable in respect of reporting towards FEMA, 1999
  - (v) Reserve Bank Of India Act, 1934 (Company being NBFC)
  - (vi) Transfer of Property Act, 1882,
  - (vii) Registration Act, 1908,
  - (viii) The Environment Protection Act, 1986
  - (ix) The Income Tax Act, 1961
  - (x) Shops and Establishments Act
  - (xi) The Central Goods and Services Tax Act, 2017
  - (xii) The State Goods and Services Tax Act, 2017
  - (xiii) The Integrated Goods and Services Tax Act, 2017
  - (xiv) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

(xv) I have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following events:

- (a) The Company has generally intimated the Reserve Bank of India as required by the DNBS and regulations under the forms DNBS 4A, 4B, and 13.
- (b) According to documents and details shared by the Company and as per the information and explanations provided by the management during the course of the secretarial audit, the below mentioned meetings were held by the company during the financial Year 2022-2023 -

Board Meetings	<ol style="list-style-type: none"><li>1. 27.06.2022 (Held through Video Conferencing)</li><li>2. 28.07.2022 (Held through Video Conferencing)</li><li>3. 27.08.2022 (Held through Video Conferencing)</li><li>4. 20.09.2022 (Held Physically and through Video Conferencing mode)</li><li>5. 26.09.2022 (Held Physically and through Video Conferencing mode)</li><li>6. 29.09.2022 (Held through Video Conferencing)</li><li>7. 25.11.2022 (Held through Video Conferencing)</li><li>8. 07.12.2022 (Held through Physical mode only)</li><li>9. 11.02.2023 (Held through Physical mode only)</li><li>10. 25.03.2023 (Held through Physical mode only)</li></ol>
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Audit Committee Meetings	<ol style="list-style-type: none"><li>1. 23.06.2022 (Held through Physical mode only)</li><li>2. 16.09.2022 (Held through Video Conferencing)</li><li>3. 26.09.2022 (Held through Physical mode only)</li></ol>
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	<ol style="list-style-type: none"><li>4. 06.12.2022 (Held through Physical mode only)</li><li>5. 10.02.2023 (Held through Physical mode only)</li><li>6. 24.03.2023 (Held through Physical mode only)</li></ol>
Nomination & Remuneration Committee Meetings	<ol style="list-style-type: none"><li>1. 26.08.2022 (Held through Physical mode only)</li><li>2. 26.09.2022 (Held through Physical mode only)</li><li>3. 06.12.2022 (Held through Physical mode only)</li></ol>
Credit Committee Meetings	<ol style="list-style-type: none"><li>1. 07.03.2023 (Held through Video Conferencing mode only)</li><li>2. 18.03.2023 (Held through Video Conferencing mode only)</li></ol>
Extra Ordinary General Meetings	<ol style="list-style-type: none"><li>1. 12.09.2022 – Notice issued but Meeting not convened</li><li>2. 30.12.2022 (Held through Physical mode only)</li></ol>
Annual General Meetings	<ol style="list-style-type: none"><li>1. 25.11.2022 (Held Physically and through Video Conferencing mode)</li></ol>

- (c) Most of the Notices of Board Meeting, Audit Committee Meeting, Nomination & Remuneration Committee Meeting, Credit Committee Meeting, Shareholders Meeting were made available to us for scrutiny during the period under review
- (d) Most of the Proof of dispatch of Notices for the meetings held by the company were made available to us for scrutiny during the period under review
- (e) Most of the Recording of meetings held through Video Conferencing was made available to us during the period under review. It was observed that few of the meeting recordings could not be viewed, may be due to file corruption.

**M.K. SURANA & CO.**  
*Company Secretaries*

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- (f) The Company has maintained few statutory registers as required under Companies Act, 2013.
- (g) The Proof of Circulation of Draft Minutes and the Signed Minutes of the meetings held by Board, Audit Committee, Nomination and Remuneration Committee, Credit Committee and Shareholders for their comments were made available to us for scrutiny for the period under review, except for a few meetings.
- (h) Most of the Signed Minutes of the Board Meetings, Audit Committee Meeting, Nomination and Remuneration Committee Meetings, Credit Committee Meetings and Shareholders Meetings were made available to us for scrutiny for period under the review.
- (i) The Attendance sheets of Board Meetings, Audit Committee Meetings, Nomination & Remuneration Committee Meeting, Shareholder's Meeting were available to us during the Scrutiny for period under the review.
- (j) Most of the Disclosures in Form MBP-1 and in Form DIR-8 from the Directors of the Company and Disclosures by Independent Directors were made available to us during the Scrutiny for the period under the review.
- (k) The Proof for Circulation of the Circular Resolution passed by the Directors were available to us during the Scrutiny for period under the review, except for a few resolutions.

I further report that -

The Board of Directors of the Company is generally constituted and the changes in the composition of the Board of Directors that took place during the period under review were carried out in general compliance with the provisions of the Act.

**Composition of Board of the Directors as on 31<sup>st</sup> March, 2023 is as follows:**

Director Identification Number	Name of the Director	Designation
01596878	Mr. Joslin Thambi Chelliah	Managing Director
05107646	Ms. Alphina Jos	Whole Time Director
07031474	Mr. Isaiah Alwin Zhahari	Director
07408353	Ms. Velayudham Priya	Director
07586210	Mr. Asir Raja Selvan	Independent Director
07725212	Mr. John Samuel	Director
09181735	Mr. Anburaj Chelladurai	Nominee Director
03584982	Mr. Rajagopal Prakash	Additional Director (Independent Director)
08586100	Mr. Shirley Thomas	Additional Director (Independent Director)

The Committees of the Company duly reconstituted during the period under the review were carried out in general compliance with the provisions of the Act.

**Composition of Audit Committee as on 31<sup>st</sup> March, 2023 is as follows:**

S.No	Proposed Members	Designation
(i)	Mr. Asir Raja Selvan	Chairman (Independent)
(ii)	Mr. R. Prakash	Member (Independent)

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(iii)	Ms. Shirley Thomas	Member (Independent)
(iv)	Ms. Alphina Jos	Member (Executive)

**Composition of Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2023 is as follows:**

S.No	Proposed Members	Designation
(i)	Mr. R. Prakash	Chairman (Independent)
(ii)	Mr. Asir Raja Selvan	Member (Independent)
(iii)	Ms. Shirley Thomas	Member (Independent)

**Composition of Credit Committee as on 31<sup>st</sup> March, 2023 is as follows:**

S.No	Proposed Members	Designation
(i)	Dr.C.Joslin Thambi	Managing Director
(ii)	Ms. Shirley Thomas	Independent Director
(iii)	Ms. Alphina Jos	Whole Time Director
(iv)	Mr. Balaji Rangarajan Raghavan	Chief Finance Officer

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**I further report that during the audit period, the following significant events/ observations have taken place -**

- a) In the Board Meeting held on 27.08.2022, Mr. R.Ganesh, Chief Finance Officer of the company tendered his resignation with the effect from 27.08.2022. The Company has filed e-Form DIR-12 in this regard with the Ministry of Corporate Affairs.
- b) In the Board Meeting held on 27.08.2022, Mr. Subramanian Sridharan, Company Secretary eCSINNo: RA021025A000009805 of the company tendered his resignation with the effect from 30.08.2022. The Company has filed e-Form DIR-12 in this regard with the Ministry of Corporate Affairs.
- c) In the Board Meeting held on 27.08.2022, the Company appointed Mr. M.U. Ravikumar, as Company Secretary of the Company with the effect from 27.08.2022. The Company has filed e-Form DIR-12 in this regard with the Ministry of Corporate Affairs.
- d) In the Board Meeting held on 27.08.2022, the Company appointed Mr. R. Balaji Rangarajan, as Chief Finance officer of the company with the effect from 27.08.2022. The Company has filed e-Form DIR-12 in this regard with the Ministry of Corporate Affairs.
- e) In the Board Meeting held on 20.09.2022, Ms. Alphina Jos (DIN: 05107646), Whole Time Director of the Company, who is eligible to retire by rotation, it was proposed to re-appoint her as the Director of the Company at the 27<sup>th</sup> Annual General Meeting, subject to the Shareholders Approval in the Annual General Meeting.
- f) In the Board Meeting held on 27.08.2022, the Company has appointed Secretarial Auditor by passing Board Resolution pursuant to section 179 and Rule 8 of Companies (Meetings of Board and its Power) Rules, 2014. In this regard, the Company has filed e-Form MGT-14 with the MCA under Section 117 of the Companies Act, 2013 with additional filing fees.

**M.K. SURANA & CO.**  
*Company Secretaries*

**M. KAVITHA SURANA, B. Com., FCS**  
*Insolvency Professional*

**"S U S Bhawan"**  
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Aminjikarai, Chennai – 600 029  
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Mobile: 9940577777  
E-mail:kavitha@mksurana.com

- 
- g) In the Board meeting held on 20.09.2022, the Board recommended issue of bonus of shares under the provisions of Section 63 of the Companies Act, 2013 subject to approval by of the shareholders. The Company obtained the approval from the shareholders in the AGM held on 25.11.2022 and filed Form MGT-14 with the Ministry of Corporate Affairs with additional filing fees.
- h) The Company has closed its financial year on 31.03.2022 and the Annual general meeting of the company was due to be held on 30.09.2022 as per requirements of section 96 of the Companies Act, 2013. The company had made an application in Form GNL-2 vide SRN F26960807 on 29.09.2022 requesting for an extension of holding AGM and the MCA had granted extension for 3 Months.
- i) As per General circular from Ministry of Corporate Affairs dated 014/ 08<sup>th</sup> April 2020, any General Meeting held through Video Conferencing or Other Audio Visual Means, shall pass resolutions accordance with the mechanism with Registrar of Companies within 60 days of the meeting. The Company had held its Annual General Meeting on 25<sup>th</sup> November 2022 through Video Conferencing. In this regard, the Company has filed e-Form MGT-14 with the MCA with additional filing fees.
- j) Mr. Rajagopal Prakash (DIN - 03584982) was appointed as an Additional Director in the category of Independent Director of the Company with effect from 07.12.2022. The Company has filed e-Form DIR-12 in this regard with the Ministry of Corporate Affairs.
- k) Ms. Shirley Thomas (DIN - 08586100) was appointed as an Additional Director in the category of Independent Director of the Company with effect from 07.12.2022. The Company has filed e-Form DIR-12 in this regard with the Ministry of Corporate Affairs.
- l) During the period under review, the Company has filed form CHG-1 forms for creation and modification & CHG-4 for satisfaction during the financial year 2022-23 are table below:

E-FORM CHG-1				
Sl. No	Name of the Bank	Date of Creation/Modification	Amount (in Rs.)	Charge ID
1.	Bank of Baroda	02.05.2022 (Modification)	75 Lakhs	10084397
2.	Union Bank of India	24.06.2022 (Creation)	5 Crores	100594301
3.	RAR Fincare Limited	28.07.2022 (Creation)	1 Crores	100599331
4.	Bank of Maharashtra	29.08.2022 (Creation)	5 Crores	100609045
5.	State Bank of India	25.11.2022 (Creation)	50 Crores	100651645
6.	Union Bank of India	15.02.2023 (Creation)	12 Crores	100681514
7.	Indian Bank of India	08.03.2023 (Creation)	30 Crores	100693649
8.	WWW India	14.03.2023 (Creation)	2 Crores	100692398
9.	Nabsamruddhi Finance Limited	28.03.2023 (Creation)	5 Crores	100704319
E-FORM CHG-4				
S.No	Name of the Bank	Date of Satisfaction	Amount	Charge ID
1.	Western Capital Advisors Private Limited	05.08.2022	3 Crores	100386900
2.	Grow Money Capital Private Limited	08.08.2022	4 Crores	100369912
3.	Jain Sons Finlease Limited	11.08.2022	2 Crores	100286020

**M.K. SURANA & CO.**  
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4.	Ambit Finvest Private Limited	09.09.2022	50 Lakhs	100394260
5.	Electronica Finance Limited	24.09.2022	1.5 Crores	100340721

- m) The designation of Ms. Alphina Jos as per MCA Data is Whole Time Director but in all the Company Documents her designation is mentioned as DMD (Deputy Managing Director).
- n) The Company had issued notice to hold the EGM on 12.09.2022. The matter to be discussed and consented by the shareholders was a reserved matter for which the Company did not seek approval. Hence the EGM was not convened and was cancelled.
- o) In the Extraordinary General Meeting held on 30.12.2022 for approval of increase in managerial Remuneration for Mr. Joslin Thambi, Managing Director and Ms. Alphina Jos, Whole Time Directors of the Company, the Company is required to file Form MR-1 and MGT-14 pursuant to Section 196, 197 and Schedule of V of the Companies Act, 2013. The Company had filed the same for Mr. Joslin Thambi. As the increase in remuneration was not approved for Ms. Alphina Jos, Whole time Director, the requirement of filing Form MR-1 does not arise.
- p) Generally, the Company has filed forms on time for most of the events that have taken place, except for few Forms with additional fees.
- q) It has been observed that the Dates and Resolution Number mentioned in Declaration sections in the Forms filed with the Ministry of Corporate Affairs were incorrect in few forms filed during the financial year 2022-23.
- r) As per Rule 9A of Issue of securities, every holder of securities of an unlisted public company who intends to transfer such securities on or after 2nd October, 2018, shall get such securities dematerialised before the transfer; or who subscribes to any securities of an unlisted public company (Whether by way of private placement or bonus shares or rights offer) on or after 2<sup>nd</sup> October, 2018 shall ensure that all his existing securities are held in dematerialized form before such subscription. The Company issued the Bonus Shares during

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the process of dematerializing the shares. The process of dematerialization has been completed only in FY 2023 – 2024.

- s) In the Annual General Meeting held on 25.11.2022, the shareholders confirmed the re-appointment of Ms. Alphina Jos (DIN: 0510764), Whole Time Director of the Company who was eligible to retire by Rotation.

Place: Chennai  
Date: 19.08.2023  
UDIN: F005926E000829375

For M. K. Surana & Co.,  
Company Secretaries,

-SD-

(M. Kavitha Surana)  
Proprietor  
FCS 5926, C.P. No 5269

This report is to be read with our letter which is annexed as Annexure A and forms an integral part of this report.

**M.K. SURANA & CO.**  
*Company Secretaries*

**M. KAVITHA SURANA, B. Com., FCS**  
*Insolvency Professional*

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**Annexure A'**

To,  
The Members,  
M/s. BWDA Finance Limited,  
No 858, East Pondy Road,  
Villupuram – 605602

Our Secretarial Audit Report is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we have followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the company as they are subject to Audit by the Auditors of the Company appointed under Section 139 of the Companies Act, 2013.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc. where ever required.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

# Annexure - B

ANNEXURE - B											
Section 197(12) of the Companies Act, 2013 & Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2023:											
S.no	Name	Designation	Qualification	Gross Remuneration (in Lacs)	Nature of Employment (Contractual or otherwise)	Date of Commencement of Employment	Age (in years)	Experience	Last or previous employment	No. of Equity Shares held	Relative of Director or Manager
1	Jovin C Thambi	Managing Director	M.A.,MPhil, D.Hons	32.86	Permanent	02.10.1985	69	45 Years	NA	5,97,102	Yes
2	Alphina-Jos	Deputy Managing Director	B.Tech., M.B.A.,	15.6	Permanent	01.07.2013	37	15 Years	MSC (MicroSave Consulting)	35,000	Yes
3	Bilaji Rangarajan	CFO	B.com/CA	10.5	Permanent	12.09.2022	43	20 Years	Hocaps Facility Management Private Limited	Nil	No
4	Veekalachalapathy y.R	Chief General Manager	M.Com M.A.,CAIIB	8.87	Permanent	05.11.2012	67	40 Years	Indian Bank	1,000	No
5	Pan SKR	Senior General Manager	B.com (CAIIB)	5.40	Permanent	18.01.2018	69	45 Years	Indian Overseas Bank	Nil	No
6	Santaram G.H.	Senior General Manager	B.Sc. (Agriculture), CAIIB	5.28	Permanent	01.06.2020	64	40 Years	SBI	Nil	No
7	I. Aivis	Senior Deputy General Manager	DEEE, M.A.	5.04	Permanent	06.07.2009	51	30 Years	N.A.	10,000	Yes
8	Chidambaram Pillai	General Manager	Msc, CAIIB	4.82	Permanent	12.01.2021	74	45 Years	IOB	4,000	No
9	Anandavelan .T	Senior Assistant General Manager	M.com MPhil	4.43	Permanent	02.04.2005	46	20 Years	Bajaj Finance	10995	No
10	Sankar Subramanyam .V	Senior Assistant General Manager	M.com	4.43	Permanent	02.08.2005	46	20 Years	Shriram Chits	10900	No

Note: Remuneration shown above includes salary, bonus, and contribution to provident fund, superannuation fund, perquisites

# Manohar Chowdhry & Associates

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
BWDA FINANCE LIMITED.

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the Financial Statements of **M/s. BWDA FINANCE LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of profit and loss and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information [hereinafter referred to as "the Financial Statements"].

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

#### Basis for Opinion

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

#### "Information Other than the 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 Board's Report, but does not include the Financial Statements and our auditor's report thereon.

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



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Tel: 91 452 / 2331271 / 2331175

Chennai - Bengaluru - Gurgaon - Hyderabad - Mumbai  
Coimbatore - Kochi - Madurai - Manglore - Vijayawada - Vizag

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the 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.

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued



by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure - A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit.
  - 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 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
    - a. The Company does not have any pending litigations which would impact its financial position.
    - b. The Company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.
    - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - d. i) The management has represented that, to the best of it's knowledge and belief, other than 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

iii) Based on such audit procedures which we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- e. The Company has not declared or paid any dividend during the year is in accordance with section 123 of the Companies Act 2013", Hence clause not applicable.
- h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place: Madurai  
Date: 19/08/2023

For **M/s. Manohar Chowdhry & Associates**



Chartered Accountants  
Firm Registration No: 001997S

**CA. I Daniel Selvaraj**  
Partner

Membership No: 200322  
UDIN: 23200322BGVATB7527

**ANNEXURE-A TO THE AUDITOR'S REPORT**

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report to the members of **M/s. BWDA FINANCE LTD** for the year ended March 31,2023, we report that:

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) A. The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;  
B. the company is maintaining proper records showing full particulars of intangible assets;
- (b) The Property, Plant and Equipment are physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification; and ;
- (c) 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 favor of the lessee) disclosed in the financial statements are held in the name of the company,
- (d) the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year, hence this clause will not be applicable;
- (e) no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, hence this clause will not be applicable;
2. (a) The company does not have any physical inventories hence this clause will not be applicable;
- (b) During the year, the company has not been sanctioned any working capital limits from banks or financial institutions.
3. During the year the Company has granted loans or advances in the nature of loans to a Company
  - (a) Since the Company's principal business is to provide loans, this clause will not be applicable;
  - (b) The loans and advances provided by the company during the year is not prejudicial to the Company's interest.
  - (c) The schedule of repayment to loans and advances made has been stipulated and



the receipts are regular.

- (d) The loans and advances is not overdue, hence this clause will not be applicable.
- (e) Since the Company's principal business is to provide loans, this clause will not be applicable;
- (f) The Company has not provided any loans to its promoters during the year.
4. Company has not provided any loans to director and has not made any investment as per provisions of section 185 , and 186 of the Companies Act, hence this clause will not be applicable;
5. The company has not accepted deposits within the meaning of section 73 to 76 of the Companies Act and the rules made thereunder, hence this clause will not be applicable;
6. The company does not pertain to the class of companies as defined under sub-section (1) of section 148 of the Companies Act, hence this clause will not be applicable;
- 7 (a) the company is regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess and any other statutory dues to the appropriate authorities .
8. There are no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, hence this clause will not be applicable;
9. a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
- b) The company is not declared willful defaulter by bank or financial institution or other lender;
- c) The Company has applied term loans and were utilized for the purpose for which the loans were obtained;
- d) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture , hence this clause will not be applicable;
- e) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence this clause will not be applicable;



10.
  - a) The Company have not raised any money by way of initial public offer or further public offer (including debt instruments), hence this clause will not be applicable;
  - b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, hence this clause will not be applicable;
11. (a) We have been informed that employees of the company had embezzled funds amounting to Rs.16,21,030/- at various branches during the year under audit. Investigations are in progress and the employees has been dismissed. The Company has a strong believe that the amount is fully recoverable and hence no write off required during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditor in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) No whistle-blower complaints, received during the year by the company;
12. The company is not a Nidhi company, hence clause 12 (a) to (c) will not be applicable;
13. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards;
14. (a) The company has an internal audit system commensurate with the size and nature of its business; and
- (b) the reports of the Internal Auditors for the period under audit were considered by the us;
15. The company has not entered into any non-cash transactions with directors or persons connected with him, hence this clause will not be applicable;
16. (a) The company is registered under section 45-1A of the Reserve Bank of India Act, 1934;
- (b) and hold a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence clause 16(c) and (d) will not be applicable;
17. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.



18. There has been no Resignation of the Statutory Auditors during the year, hence this clause will not be applicable.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
20. The company has not crossed the threshold as specified under section 135 of the companies Act, hence clause 20(a) and (b) will not be applicable;
21. The company is not required to consolidate its financial statement with any other company; hence this clause will not be applicable;

Place: Madurai  
Date: 19/08/2023

For **M/s. Manohar Chowdhry & Associates**  
Chartered Accountants  
Firm Registration No: 001997S



**CA. I. Daniel Selvaraj**  
Partner  
Membership No: 200322  
UDIN:23200322BGVATB7527

**ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS**

(Referred to in Paragraph 2(f) under 'Report on other Legal & Regulatory Requirements' section of our Report for the year ended 31 March 2023)

**Report on the Internal Financial Controls over Financial Statements under Clause (i) of sub - section (3) of section 143 of the Act.**

We have audited the internal financial controls over financial reporting of **M/s. BWDA FINANCE LIMITED** ("the Company") as of March 31, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditor's 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 Act, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- i. Pertain to the maintenance of records that, in reasonable details, accurately and fairly, reflect the transactions and dispositions of the assets of the Company;
- ii. Provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- iii. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on "the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Place: Madurai  
Date: 19/08/2023

For **M/s. Manohar Chowdhry & Associates**

Chartered Accountants

Firm Registration No: 001997S



**CA. I. Daniel Selvaraj**

Partner

Membership No: 200322

UDIN: 23200322BGVATB7527

**STATUTORY AUDITOR'S REPORT**To the Board of Directors of **M/s. BWDA FINANCE LIMITED****Auditor's report pursuant to RBI Directions "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016"**

1. We have audited the financial statements of **M/s. BWDA FINANCE LIMITED** ("the Company") which comprise the balance sheet as at **March 31, 2023**, the statement of profit and loss and the statement of cash flow for the year ended as on that date annexed thereto and issued our audit opinion dated **19<sup>th</sup> August, 2023** thereon. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on the financial statements based on our audit. Our audit was concluded in the manner specified in the audit report.
2. As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008, issued by the Reserve Bank of India ("RBI") and amended from time to time ("the Directions") and based on our audit referred to in paragraph 1 above and based on the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report hereby under on the matters specified in paragraph 3 and 4 of the Directions in respect of the year ended **March 31, 2023**.
  - i. Management has represented to us that the company is engaged in the business of Non-Banking Financial Activities "NBFC-MFI" company as defined in section 45-IA of the Reserve Bank of India Act, 1934 ("the Act") as amended from time to time, requiring it to hold a Certificate of Registration ("COR") under section 45-IA of the Act. The company is registered with the RBI as an "NBFC-MFI company without accepting Public Deposits" with effect from 2<sup>nd</sup> April, 2018 under the original COR Ref No. B-07.00499 dated 9<sup>th</sup> February, 2004 which has been verified.
  - ii. Based on the asset and income pattern as on **March 31<sup>st</sup> 2023** determined by the management in accordance with the Audited Financial Statements and other records of the company for the year ended on that date and with provisions applicable to Non-Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential



- Norms (Reserve Bank) Directions, 2016 as amended from time to time ("the Prudential Norms") the company is eligible to continue to hold such CoR.
- iii. The Board of Directors of M/s. BWDA FINANCE LIMITED have not passed any resolution in any of the Board meeting held in FY 2022-23 relating to non-acceptance and holding of public deposits.
  - iv. The company has not accepted any Public Deposits during the year ended March 31, 2023.
  - v. The company has complied with, in all material respects, the prudential norms relating to income recognition, accounting standards, asset classification and provisioning on assets as applicable to it in terms of Non - Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 as amended from time to time during the year ended March 31, 2023.
  - vi. The Company has been correctly classified as NBFC Micro Finance Institutions (MFI) as defined in the Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

We have no responsibility to update this report for events and circumstances occurring after the date of our audit report mentioned in paragraph 1 above. This report is issued solely for reporting on the matters specified in paragraph 3 and 4 of the Directions and is not to be used or distributed for any other purpose.

Place: Madurai  
Date: 19/08/2023

For **M/s. Manohar Chowdhry & Associates**

Chartered Accountants  
Firm Registration No: 001997S



**CA. I. Daniel Selvaraj**  
Partner

Membership No: 200322  
UDIN: 23200322BGVATB7527

**BWDA FINANCE LIMITED**  
**NO.858, EAST PONDY ROAD, VILLUPURAM, TAMILNADU-605602**

**CIN : U65921TN1995PLC030939**  
**BALANCE SHEET AS AT 31/03/2023**

Particulars	Note No.	In ₹ Lakhs	
		as at 31/03/2023	as at 31/03/2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	2,328.36	2,328.36
Reserves and surplus	3	1,068.66	749.66
Money received against share warrants		-	-
		3,397.02	3,078.02
<b>Non-current liabilities</b>			
Long-term borrowings	4	9,566.71	5,714.75
Deferred tax liabilities (Net)	5	-	0.96
Other Long term liabilities		-	-
Long-term provisions		-	-
		9,566.71	5,715.71
<b>Current liabilities</b>			
Short-term borrowings	6	5,079.26	5,306.55
Trade payables			
Total outstanding dues of micro enterprises and small enterprises			
Total outstanding dues of creditors other than micro enterprises and small enterprises	7	51.22	14.60
Other current liabilities	8	1,286.76	575.18
Short-term provisions	9	562.11	218.20
		6,979.34	6,114.53
<b>TOTAL</b>		<b>19,943.07</b>	<b>14,908.26</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment and Intangible Assets			
Property, Plant and Equipment	10	257.30	243.28
Intangible Assets		-	-
		257.30	243.28
Non-current investments	11	10.05	10.05
Deferred tax assets (Net)	5	71.23	-
Long-term loans and advances	12	5,771.55	4,951.43
Other non-current assets		-	-
		6,110.13	5,204.75
<b>Current assets</b>			
Current investments		-	-
Inventories		-	-
Trade receivables	13	909.77	456.26
Cash and cash equivalents	14	3,218.13	1,317.47
Short-term loans and advances	15	9,450.22	7,823.70
Other current assets	16	254.82	106.07
		13,832.94	9,703.51
Accounting Policies and Notes on Accounts	1		
<b>TOTAL</b>		<b>19,943.07</b>	<b>14,908.26</b>

In terms of our attached report of even date  
**For M/s MANOHAR CHOWDHRY AND ASSOCIATES**

CHARTERED ACCOUNTANTS

FRN: 001997S

**CA. I Daniel Selvaraj**  
(PARTNER)

M. NO: 200322

Place : Madurai  
Date : 19/08/2023  
UDIN : 23200322BGVATB7527



**For M/s BWDA FINANCE LIMITED**

**Joslin Thambi Chelliah**  
(Managing Director)

DIN: 01596878

**Alphina Jos Rangarajan**  
Director (CFO)

DIN: 05107646 PAN: AFQPR7024A

**Sarath EB**  
(Company Secretary)

PAN: KXIPS9788A

**BWDA FINANCE LIMITED**  
**NO.858, EAST PONDY ROAD, VILLUPURAM, TAMILNADU-605602**  
**CIN: U65921TN1995PLC030939**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2023**

In ₹ Lakhs except earnings per share

Particulars	Note No.	For the Year Ended 31/03/2023	For the Year Ended 31/03/2022
Revenue from operations	17	3,577.59	2,387.57
Other income	18	96.23	48.58
<b>Total income</b>		<b>3,673.82</b>	<b>2,436.15</b>
<b>Expenses</b>			
Employee benefits expense	19	1,116.10	964.58
Finance costs	20	1,188.65	829.82
Depreciation and amortization expense	21	29.75	19.51
Other expenses	22	892.28	427.89
<b>Total expenses</b>		<b>3,226.78</b>	<b>2,241.80</b>
Profit before exceptional and extraordinary items and tax		447.04	194.35
Exceptional items		-	-
Profit before extraordinary items and tax		447.04	194.35
Extraordinary Items		-	-
Profit before tax		447.04	194.35
Tax expense:	23		
Current tax		200.24	70.85
Deferred tax		(72.20)	0.29
Profit/(loss) for the period from continuing operations		319.00	123.22
Profit/(loss) for the period		319.00	123.22
Earnings per equity share:	24		
Basic		1.37	0.53
Diluted		1.37	0.53

In terms of our attached report of even date  
**For M/s MANOHAR CHOWDHRY AND ASSOCIATES**

CHARTERED ACCOUNTANTS

FRN: 001997S

**CA. I Daniel Selvaraj**  
(PARTNER)

M. NO: 200322



Place : Madurai  
 Date : 19/08/2023  
 UDIN : 23200322BGVATB7527

**For M/s BWDA FINANCE LIMITED**

**Joslin Thambi Chelliah**  
(Managing Director)

DIN: 01596878

**Alphina Jos Rangarajan**  
(Director) (CFO)

DIN: 05107646 PAN: AFQPR7024A

**Sarath EB**  
(Company Secretary)

PAN: KXIPS9788A

**M/s. BWDA FINANCE LIMITED**  
**NO.858, EAST PONDY ROAD, VILLUPURAM, TAMILNADU-605602**  
**CIN NO: U65921TN1995PLC030939**

**Cash Flow Statement for the year ended 31st March, 2023**

		Rs. In lakhs	
S. No.	NATURE OF OPERATIONS	For the year ended 31-03-2023	For the year ended 31-03-2022
<b>I</b>	<b>OPERATING ACTIVITIES</b>		
	Net Profit/(Loss) as per Profit & Loss account	319.00	123.22
	Add: Depreciation	29.73	19.51
	Add: Provisions for income tax	200.24	70.85
	Profit / loss on sale of investments	-15.49	-
	Add: Deferred tax Liability	-72.20	0.29
	Less: Bank Interest income	-64.46	-30.74
	Less: Dividend Income	-	-7.00
	<b>CASH FLOW FROM OPERATIONS BEFORE WORKING CAPITAL ADJUSTMENTS</b>	<b>396.84</b>	<b>176.11</b>
	Changes in working capital:		
	Add:		
	Increase in Other Current Liabilities	711.58	291.38
	Increase / (Decrease) in Trade Payables	36.61	14.14
	(Increase) in Trade Receivables	-453.51	-387.14
	(Increase)/Decrease in other current assets	-148.75	129.84
	Increase / (Decrease) in Short term Provisions	343.91	101.52
	(Increase) in Short term Loans and Advances	-1,626.52	-3,013.43
	(Decrease)/Increase in Short term Borrowings	-227.29	2,421.79
	<b>CASH FLOW FROM OPERATIONS BEFORE TAX ADJUSTMENTS</b>	<b>-967.12</b>	<b>-265.78</b>
	Tax Adjustments	-200.24	-70.85
	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>-1,167.36</b>	<b>-336.63</b>
<b>II</b>	<b>INVESTING ACTIVITIES</b>		
	Increase in fixed assets	-43.78	-41.84
	Profit on sale of investments	15.49	-
	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-28.29</b>	<b>-41.84</b>
<b>III</b>	<b>FINANCING ACTIVITIES</b>		
	(Increase) / Decrease in long term loans and advances	-820.12	-2,531.05
	Increase / (Decrease) in long term borrowings	3,851.96	3,236.49
	Dividend Income	-	7.00
	Bank Interest income	64.46	30.74
	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>3,096.30</b>	<b>743.18</b>
<b>IV</b>	<b>NET CASH FLOW FROM ALL THREE ACTIVITIES</b>	<b>1,900.66</b>	<b>364.71</b>
	Add: Opening Cash and Cash Equivalents	1,317.47	952.77
	<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>3,218.13</b>	<b>1,317.47</b>

As per our report of even date  
For M/s MANOHAR CHOWDHRY & ASSOCIATES  
Chartered Accountants  
F.R.N. 0019978

  
**CA I. Daniel Selvaraj**  
Partner  
M.No.200322  
Place: Madurai  
Date: 19/08/2023  
UDIN: 23200322BQVATB7527



For and on behalf of Board of Directors of  
**M/s BWDA FINANCE LIMITED**

  
**Joslin Thambi Chelliah**  
Managing Director  
DIN 01596878  
  
**R. Balaji Rangarajan**  
CFO  
APQRR7024A

  
**Alpha Jos**  
Director  
DIN 05107646  
  
**Sarath EB**  
Company Secretary  
KXIPS9788A

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 1.1 CORPORATE INFORMATION

**M/s. BWDA FINANCE LIMITED** is an Unlisted Public Company incorporated on 18<sup>th</sup> April, 1995, vide Registration No. 030939 having its registered office at No: 858, East Pondy Road, Villupuram - 605602 domiciled in India. The Company is holding a valid Certificate of Registration (COR) issued by Reserve Bank of India as a Non-Banking Finance - Micro Finance Company (NBFC- MFI) without right for accepting public deposits Vide Certificate No. B-07.00499 dated 09<sup>th</sup> February 2004.

### 1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant provisions of the Companies Act, 2013 ("the Act"). The financial statements have been prepared on accrual basis under the historical cost convention. Further, the Company follows the prudential norms for income recognition and provisioning for Non-performing Assets as prescribed by the Reserve Bank of India for Non-Banking Financial Companies. Loans to customers outstanding at the close of the year are stated net of amount written off. The Company assesses all receivables for their recovery and accordingly provisions for non-performing assets are enhanced as considered necessary, based on past experience, emerging trends and estimates. The accounting policies adopted in the preparation of the financial statements are consistent with those adopted in the preparation of the financial statements in the previous year. The financial statements are presented in Indian rupees.

### 1.3 USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the years in which the results are known / materialize.



#### **1.4 PROPERTY, PLANT & EQUIPMENTS AND INTANGIBLE ASSETS**

Property, Plant & Equipments and Intangible Assets are carried at cost, less accumulated depreciation/ amortization and impairment losses, if any. The cost of Property, Plant & Equipment and Intangible Assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure on Property, Plant & Equipment's and Intangible Assets after its purchase is capitalized only if it is probable that the future economic benefits will flow to the enterprise and the cost of the item can be measured reliably.

#### **1.5 DEPRECIATION AND AMORTISATION**

Depreciable amount for assets is the cost of an asset less its estimated residual value. Depreciation on Property, Plant & Equipment has been provided on the Straight-Line Method as per the useful life prescribed in Schedule II to the Act. In respect of Property, Plant & Equipment purchased or put to use during the period, depreciation is provided on a pro-rata basis from the date on which such asset is purchased or put to use. Intangible Assets are stated at cost and are amortized equally over a period of three years from the year of purchase.

#### **1.6 IMPAIRMENT OF ASSETS**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and if the carrying amount of these assets exceeds their recoverable amount, impairment loss is recognised in the Statement of Profit and Loss as an expense, for such excess amount. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the Statement of Profit and Loss.



## 1.7 INVESTMENTS

Long term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

## 1.8 REVENUE RECOGNITION

The Company follows accrual basis of accounting for its income and expenditure except income on assets classified as non-performing assets, which in accordance with the guidelines issued by the Reserve Bank of India for Non-Banking Financial Companies, is recognised on receipt basis

### a) Income from Loans

Interest income on loan transactions is accounted for over the period of the contract by applying the interest rate implicit in such contracts. Service charges and stamp and documentation charges are recognised as income at the commencement of the contract.

### b) Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

## 1.9 BORROWING COSTS

Borrowing Costs include interest and amortisation of other ancillary costs incurred in connection with borrowings. Costs incurred in connection with borrowing of funds to the extent not directly related to acquisition of a qualifying asset are charged to the Statement of Profit and Loss over the tenure of the loan.

## 1.10 EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares



would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value.

Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### **1.11 TAXES ON INCOME**

Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there is unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet for their realisability.

Current and deferred taxes relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.



### 1.12 EMPLOYEE BENEFITS

A) Short Term Employee Benefits: Short Term Employee Benefits for services rendered by employees are recognized during the period when the services are rendered.

B) Post employment benefits:

a) Defined Contribution Plan Provident Fund: All eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated percentage of the covered employees salary. Contributions are made to Employees Provident Fund Organization in respect of Provident Fund, Pension Fund and Employees Deposit Linked Insurance Scheme at the prescribed rates and are charged to Statement of Profit & Loss at actuals. The company has no liability for future provident fund benefits other than its annual contribution.

b) Defined Benefit Plan Gratuity: The Company provides for gratuity covering eligible employees under which a lumpsum payment is paid to vested employees at retirement, death, incapacitation or termination of employment, of an amount reckoned on the respective employee's salary and his tenor of employment with the Company.

The Company accounts for its liability for future gratuity benefits by participating in the Group Gratuity Scheme with LIC and has made a lumpsum Contribution towards the policy out of which the gratuity benefits are settled. A separate bank account is being maintained for disbursement based on valuation determined at each balance sheet date The Company recognizes the net obligation of the gratuity plan in the balance sheet as an asset or liability, respectively in accordance with Accounting Standard 15, 'Employee Benefits' actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss in the period in which they arise.



### **1.13 CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)**

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

### **1.14 CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **1.15 LEASES**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

### **1.16 PROVISIONS AND CONTINGENCIES**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.



### 1.17 OPERATING CYCLE

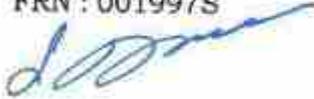
Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

In terms of our attached report of even date

For **M/s MANOHAR CHOWDHRY AND ASSOCIATES**

CHARTERED ACCOUNTANTS

FRN : 001997S



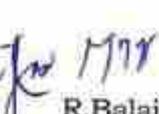
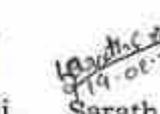
**CA.I Daniel Selvaraj**

(PARTNER)  
M. NO. : 200322



Place : Madurai  
Date : 19/08/2023  
UDIN : 23200322BGVATB7527

For **M/s BWDA FINANCE LIMITED**

Joslin Thambi Chelliah	Alpha Jos	R. Balaji Rangarajan	Sarath EB
(Managing Director)	(Director)	C.F.O	Company Secretary
(DIN : 01596878)	(DIN : 05107646)	AFQPR7024A	KXIPS9788A

**NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023**

**Note No. 2 Share Capital**

Particulars	In ₹ Lakhs	
	as at 31/03/2023	as at 31/03/2022
<b>Authorised</b>		
5000000 (50000000) Equity Shares of ₹ 10/- Par Value	5,000.00	5,000.00
2000000 (2000000) Preference Shares of ₹ 10/- Par Value	200.00	200.00
	<b>5,200.00</b>	<b>5,200.00</b>
<b>Issued</b>		
23283584 (23283584) Equity Shares of ₹ 10/- Par Value	2,328.36	2,328.36
	<b>2,328.36</b>	<b>2,328.36</b>
<b>Subscribed</b>		
23283584 (23283584) Equity Shares of ₹ 10/- Par Value	2,328.36	2,328.36
	<b>2,328.36</b>	<b>2,328.36</b>
<b>Paidup</b>		
23283584 (23283584) Equity Shares of ₹ 10/- Par Value Fully Paidup	2,328.36	2,328.36
	<b>2,328.36</b>	<b>2,328.36</b>

**2.1 Rights, Preferences and Restrictions related to Equity Shares**

The Company has one class of equity shares having a par value of ₹10/- each. Each shareholder is eligible for one vote per share held, in the general meetings. In the event of liquidation of the Company, the equity shareholders are eligible to the approval of the shareholders in the ensuing to receive the remaining assets of the Company in proportion to their shareholding. The Equity shareholders are entitled to receive dividends as and when declared; their rights, preferences and restrictions are strictly governed by / in terms of their issue under the provisions of the Companies Act, 2013.

**2.2 Disclosure as to aggregate number of class of shares allotted as pursuant to contract(s) without payment being received in cash, fully paid up by way of bonus shares and shares bought back**

Particulars	Fully paid up pursuant to contract(s) without payment being received in cash	Fully paid up by way of bonus shares	Shares bought back
Equity shares:			
2022-23	Nil	Nil	Nil
2021-22	Nil	Nil	Nil
2020-21	Nil	Nil	Nil
2019-20	Nil	Nil	Nil
2018-19	Nil	Nil	Nil

**2.3 Holding More Than 5%**

Particulars	as at 31/03/2023		as at 31/03/2022	
	Number of Share	% Held	Number of Share	% Held
Centre for Development Education	3215696	13.81	3215696	13.81
Dia vikas capital Pvt Ltd	5086072	21.84	5086072	21.84
Micro units Development & Refinance Agency Ltd	-	-	3000000	12.88
Mutual Benefit Trust -South	4022464	17.28	4022464	17.28
Mutual Benefit Trust-Central	5622533	24.15	5622533	24.15
SIDBI	4000000	17.18	1000000	4.29

**2.4 Reconciliation of Number of Shares Held**

Particulars	as at 31/03/2023		as at 31/03/2022	
	Number of Share	Amount	Number of Share	Amount
Number of shares at the beginning	23283584	2,328.36	23283584	2,328.36
Add : Issue	0	0.00		0.00
Less : Bought Back	0	0.00		0.00
Others	0	0.00		0.00
<b>Number of shares at the end</b>	<b>23283584</b>	<b>2,328.36</b>	<b>23283584</b>	<b>2,328.36</b>



## 2.5 Shareholding of Promoters

Shares held by promoters as at 31/03/2023

Equity Shares of ₹ 10

Shares held by promoter at the end of year				% change during the year
SN	Promoters Name	No. of Shares	% of total shares	
1	Joslin Thambi Chelliah	597102	2.56	0
2	Alphina Jos	35000	0.15	0
3	Prabala Jabeegara Ross	50,000	0.21	0
4	Avrina Jos	51,856	0.22	0
5	Mutual Benefit Trust (Central)	56,22,533	24.15	0
6	Mutual Benefit Trust (South)	40,22,464	17.28	0
7	Centre For Development Education	32,15,696	13.81	0

Shares held by promoters as at 31/03/2022

Equity Shares of ₹ 10

Shares held by promoter at the end of year				% change during the year
SN	Promoters Name	No. of Shares	% of total shares	
1	Joslin Thambi Chelliah	597102	2.56	0
2	Alphina Jos	35000	0.15	0
3	Prabala Jabeegara Ross	50,000	0.21	0
4	Avrina Jos	51,856	0.22	0
5	Mutual Benefit Trust (Central)	56,22,533	24.15	0
6	Mutual Benefit Trust (South)	40,22,464	17.28	0
7	Centre For Development Education	32,15,696	13.81	0

## 2.6 Breakup of Equity Capital

Equity Shares of ₹ 10

Particular	as at 31/03/2023	as at 31/03/2022
Major Share holders	9086072	9086072
Directors	10000	10000
Others	592861	592861

## Note No. 3 Reserve and Surplus

Particulars	In ₹ Lakhs	
	as at 31/03/2023	as at 31/03/2022
Statutory Reserve - Opening	425.76	401.11
Addition	97.47	24.64
Deduction	0.00	0.00
	<b>523.23</b>	<b>425.76</b>
General Reserve - Opening	61.10	61.10
Addition	0.00	0.00
	<b>61.10</b>	<b>61.10</b>
Securities Premium Opening	76.13	76.13
	<b>76.13</b>	<b>76.13</b>
Profit and Loss Opening	186.67	88.10
Amount Transferred From Statement of P&L	319.00	123.22
Amount Transferred to Statutory Reserve	(97.47)	(24.64)
	<b>(97.47)</b>	<b>(24.64)</b>
	<b>408.19</b>	<b>186.67</b>
	<b>1,068.66</b>	<b>749.66</b>



**Note No. 4 Long Term Borrowings**

Particulars	In ₹ Lakhs	
	as at 31/03/2023	as at 31/03/2022
<b>Term Loan</b>		
Banks	9,358.71	5,658.53
Others	208.01	56.22
	<b>9,566.71</b>	<b>5,714.75</b>

Where a company is a declared wilful defaulter by any bank or financial Institution or other lender, following details shall be given:

SN	Particular	Date of declaration as wilful defaulter	amount of defaults	nature of defaults
1	Nil		0.00	Nil

**Note No. 5 Deferred Taxes Asset**

Particulars	In ₹ Lakhs	
	as at 31/03/2023	as at 31/03/2022
<b>Deferred Tax Assets</b>		
Depreciation	0.04	-
Provision for Doubtful debts	71.19	-
	<b>71.23</b>	<b>0.00</b>
<b>Deferred Tax Liabilities</b>		
Depreciation	0.00	0.96
	<b>0.00</b>	<b>0.96</b>

**Note No. 6 Short Term Borrowings**

Particulars	In ₹ Lakhs	
	as at 31/03/2023	as at 31/03/2022
<b>Loans repayable on demand</b>		
Banks	4,369.80	4,786.48
Others	709.46	520.07
	<b>5,079.26</b>	<b>5,306.55</b>

**Note No. 7 Trade Payables**

as at 31/03/2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Not due	
(i) MSME	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Others	51.22	0.00	0.00	0.00	0.00	51.22
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00	0.00

S. No.	Trade Payables	Amount
	<b>Disclosure Particulars</b>	
A	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil
B	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil
C	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil
D	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil
E	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	
F	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	



G	Further interest remaining due and payable for earlier years	Nil
	<b>Total</b>	<b>Nil</b>

as at 31/03/2022

In ₹ Lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Not due	
(i) MSME	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Others	14.60	0.00	0.00	0.00	0.00	14.60
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00	0.00

S. No.	Trade Payables	Amount
	<b>Disclosure Particulars</b>	
A	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil
B	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil
C	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil
D	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil
E	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil
F	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	Nil
G	Further interest remaining due and payable for earlier years	Nil
	<b>Total</b>	<b>Nil</b>

**Note No. 8 Other Current Liabilities**

In ₹ Lakhs

Particulars	as at 31/03/2023	as at 31/03/2022
<b>Other payables</b>		
Employee Related	115.48	89.83
Tax Payable	83.89	25.17
Bill Payable	376.96	0.00
Other Current Liabilities	710.43	460.18
	<b>1,286.76</b>	<b>575.18</b>

**Note No. 9 Short Term Provisions**

In ₹ Lakhs

Particulars	as at 31/03/2023	as at 31/03/2022
<b>Tax Provision</b>		
Current Tax	200.24	70.85
<b>Contingencies</b>		
Provision -NPA	312.09	124.80
Provision-Bonus	0.69	0.59
Provision for Gratuity fund	49.09	21.86
	<b>562.11</b>	<b>218.20</b>



Note No. 10 Property, Plant and Equipment

Particulars	Gross			Depreciation			Net		
	Opening as at 01/04/2022	Addition	Deduction	Revaluation	Closing as at 31/03/2023	During Period	Deduction	Closing as at 31/03/2023	Closing as at 31/03/2022
Building									
Office Building	217.41				217.41	3.00		63.85	156.56
Equipments									
Office Equipments	22.57	6.00			28.57	1.58		7.02	17.14
Computer Equipments	112.76	22.86			135.62	16.27		92.09	36.93
Other Equipments	7.75	0.03			7.78	0.01		7.34	0.41
Furniture and Fixtures	41.64	5.40			47.04	8.65		20.15	30.14
Vehicles									
Motor Vehicles	42.16	9.49			51.64	0.25		40.31	2.09
<b>Grand Total</b>	<b>444.28</b>	<b>43.78</b>	<b>0.00</b>	<b>0.00</b>	<b>488.06</b>	<b>29.75</b>	<b>0.00</b>	<b>230.76</b>	<b>243.28</b>
Previous	402.44	41.84	0.00	0.00	444.28	19.51	0.00	201.00	220.94

In ₹ Lakhs



M/s. BWCA FINANCE LIMITED  
 801, 85B, East Pondy Road, Velupuram-605002.

Depreciation workings as per Income tax Act

Sl. No.	Particulars	Rate	Opening WDV as on 01.04.2022				Depreciation				Ret Block Closing WDV as on 31.03.2023		
			More than 180 days	Less than 180 days	Deletions	Total	Opening Depreciation	More than 180 days	Less than 180 days	Deletions		Total	
1	Computer	40.00%	38,31,475	10,25,763	12,60,559	-	51,17,797	11,32,890	4,10,305	2,52,112	-	17,95,007	33,22,790
2	Furniture and Fittings	10.00%	39,01,630	2,96,065	2,43,825	-	44,41,460	3,90,163	29,601	32,191	-	4,31,955	40,09,306
3	Equipments & Vehicles	10.00%	36,50,958	1,09,245	14,42,309	-	46,02,511	3,05,996	10,924	72,115	-	3,88,136	42,14,376
4	Land and building	0.00%	2,17,40,906	-	-	-	2,17,40,906	-	-	-	-	-	2,17,40,906
	<b>GRAND TOTAL</b>		<b>3,15,24,969</b>	<b>14,31,012</b>	<b>29,46,693</b>	<b>-</b>	<b>3,59,02,674</b>	<b>18,27,849</b>	<b>4,50,830</b>	<b>3,36,418</b>	<b>-</b>	<b>26,15,097</b>	<b>3,32,87,577</b>



**Title deeds of Immovable Property not held in name of the Company**

SN	Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
1	N.A		0.00		N.A		

**Details of Benami Property held**

SN	Particular	year of acquisition	Amount thereof	Details of Beneficiaries	If property is in the books, then reference to the item in the Balance Sheet	If property is not in the books, then the fact shall be stated with reasons	Where there are proceedings against the company under this law as an abettor of the transaction or as the transferor then the details shall be provided	Nature of proceedings	status of same	company's view on same
1	N.A		0.00						N.A	



**Note No. 11 Non-current investments**

Particulars	In ₹ Lakhs	
	as at 31/03/2023	as at 31/03/2022
Investments in Equity Instruments	10.05	10.05
	<b>10.05</b>	<b>10.05</b>

**Note:**

**Quoted** - 88 Equity shares of Bank of Baroda at cost of Rs.0.05 lakhs

**Unquoted** - 1,00,000 equity shares of Rs.10 Each of Alpha Micro Finance ltd at cost of Rs.10.00 lakhs

**Note No. 12 Long-term loans and advances**

Particulars	In ₹ Lakhs	
	as at 31/03/2023	as at 31/03/2022
<b>Capital Advances</b>		
<b>Unsecured, considered good</b>		
Portfolio Advances	5,526.21	4,656.09
<b>Loans and advances to related parties</b>		
<b>Unsecured, considered good</b>		
Advance-Others	0.47	295.34
<b>Loans and advances to others</b>		
<b>Unsecured, considered good</b>		
Advances-Others	62.53	0.00
Advances-Business Associates	182.34	0.00
	<b>5,771.55</b>	<b>4,951.43</b>

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	0.00	0.00
Directors	0.00	0.00
KMPs	0.00	0.00
Related Parties	0.00	0.00

**Note No. 13 Trade receivables**

Particulars	In ₹ Lakhs	
	as at 31/03/2023	as at 31/03/2022
<b>Trade Receivable</b>		
<b>Unsecured considered good</b>		
Within Six Months	909.77	456.26
	<b>909.77</b>	<b>456.26</b>

**Ageing Schedule as at 31/03/2023**

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Not due	
(i) Undisputed Trade receivables - considered good	909.77	0.00	0.00	0.00	0.00	0.00	<b>909.77</b>
(ii) Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>



**Ageing Schedule as at 31/03/2022**

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Not due	
(i) Undisputed Trade receivables - considered good	456.26	0.00	0.00	0.00	0.00	0.00	456.26
(ii) Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**Note No. 14 Cash and cash equivalents**

In ₹ Lakhs

Particulars	as at 31/03/2023	as at 31/03/2022
Cash in Hand	202.31	180.70
Balances With Banks	425.53	173.47
Others**	2,590.29	963.31
	<b>3,218.13</b>	<b>1,317.47</b>

Particulars	as at 31/03/2023	as at 31/03/2022
<b>**Others</b>		
Fixed deposits with Banks	135.28	77.87
Fixed deposits with NBFCs	60.10	69.69
Deposits for First Loan Default Guarantee (FLDG) – Own Portfolio	781.82	480.82
Deposits for First Loan Default Guarantee (FLDG) – Managed Portfolio	1,613.09	334.93
	<b>2,590.29</b>	<b>963.31</b>

**Note No. 15 Short-term loans and advances**

In ₹ Lakhs

Particulars	as at 31/03/2023	as at 31/03/2022
Portfolio Advances	9,450.22	7,823.70
	<b>9,450.22</b>	<b>7,823.70</b>

**Note No. 16 Other current assets**

In ₹ Lakhs

Particulars	as at 31/03/2023	as at 31/03/2022
Stamps	0.72	0.84
PAN Coupons	0.43	0.21
Rent Advance	72.50	28.73
TDS Receivable	51.10	21.90
Key man insurance premium	75.00	50.00
Caution Deposit	4.95	4.39
Advance Tax FY 22-23	50.00	0.00
Advance Recoverable	0.12	0.00
	<b>254.82</b>	<b>106.07</b>

**Note No. 17 Revenue from operations**

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2023	For the Year Ended 31/03/2022
<b>Other Operating Revenues</b>		
Interest Received on loans	2,242.74	1,852.65
Processing Fees	108.71	117.25
Service Charges	13.33	4.20
Administrative Charges	9.91	111.60
Commission – Business Associates	1,202.90	301.88
	<b>3,577.59</b>	<b>2,387.57</b>



**Note No. 18 Other income**

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2023	For the Year Ended 31/03/2022
Interest	64.46	30.74
Dividend	0.00	7.00
Profit (Loss) on Redemption of Liquid fund (Net)	15.49	0.00
Miscellaneous	16.28	10.84
	<b>96.23</b>	<b>48.58</b>

**Note No. 19 Employee benefits expense**

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2023	For the Year Ended 31/03/2022
Salary, Wages & Bonus	857.47	693.94
Contribution to Provident Fund	52.78	55.10
Contribution to Gratuity	24.50	21.23
Staff Welfare Expenses	181.25	194.32
	<b>1,116.10</b>	<b>964.58</b>

**Note No. 20 Finance costs**

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2023	For the Year Ended 31/03/2022
<b>Interest Expenses</b>		
Interest Expenses	1,038.69	732.65
<b>Finance Charges</b>		
Other Finance Charges	149.96	97.17
	<b>1,188.65</b>	<b>829.82</b>

**Note No. 21 Depreciation and amortisation expense**

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2023	For the Year Ended 31/03/2022
<b>Depreciation &amp; Amortisation</b>		
Depreciation on Tangible Assets	29.75	19.51
	<b>29.75</b>	<b>19.51</b>

**Note No. 22 Other expenses**

In ₹ Lakhs

Particulars	For the Year Ended 31/03/2023	For the Year Ended 31/03/2022
<b>Administrative and General Expenses</b>		
Telephone Postage	16.81	12.52
Printing Stationery	27.62	18.46
Rent Rates And taxes	180.45	90.95
Auditors Remuneration	4.00	4.00
Directors Sitting Fees	7.23	2.89
Managerial Remuneration	48.46	46.86
Repairs Maintenance Expenses	10.86	18.69
Electricity Expenses	15.68	11.89
Travelling Conveyance	28.60	18.88
Legal and Professional Charges	42.93	24.10
Insurance Expenses	1.42	1.15
Vehicle Running Expenses	10.53	11.41
Donations Subscriptions	1.64	0.00
Books Periodicals	0.37	0.18
Information Technology Expenses	64.25	33.75
Subscriptions, Membership Fees	5.41	7.35
Seminars Conference Expenses	93.07	23.26
Other Administrative and General Expenses	32.59	46.11
<b>Selling Distribution Expenses</b>		
Advertising Promotional Expenses	8.47	2.97
<b>Write offs</b>		
Bad debts Written off	104.60	
<b>Provisions</b>		
Provision for Bad and Doubtful Debts	187.30	52.49
	<b>892.28</b>	<b>427.89</b>



**Note No. 23 Tax expense**

In ₹ Lakhs

Particulars	In ₹ Lakhs	
	For the Year Ended 31/03/2023	For the Year Ended 31/03/2022
Current tax	200.24	70.85
Deferred tax	(72.20)	0.29
	<b>128.04</b>	<b>71.14</b>

**Note No. 24 Earnings per equity share**

In ₹ Lakhs

Particulars	In ₹ Lakhs	
	For the Year Ended 31/03/2023	For the Year Ended 31/03/2022
<b>Earnings Per Equity Share</b>		
Basic	1.37	0.53
Diluted	1.37	0.53
<b>Number of Shares used in computing EPS</b>		
Basic	23283584	23283584
Diluted	23283584	23283584
<b>Calculations</b>		
Net profit for dilutive earnings per share	319.00	123.22
<b>Weighted Average Number of shares</b>		
Number of Shares for basic EPS calculation	23283584	23283584
Number of shares for dilutive calculation	23283584	23283584

**Note No. 25 Corporate Social Responsibility (CSR)**

SN	Amount required to be spent by the company during the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of previous years shortfall	Reason for shortfall	Nature of CSR activities	Details of related party transactions
1	Not Applicable	0.00	0.00	0.00		Not applicable	

**Note No. 26 Asset Classification & Provisioning**

The Company follows Prudential Norms of Reserve Bank of India (RBI) read with the Master circular DNBS.PD.No. 007/03.10.119/2016-17 Dated 01.09.2016 (updated as on 09/03/2017) with regard to classification in respect of all loans extended to its customers. The prudential norms relating to MFI is being followed for provisioning. Loans where the instalment is overdue for a period of 90 days or more or on which interest amount remained overdue for a period of 90 days or more is treated as Non-performing assets. Provision is made for loss assets as per the Company's policy which is same as per the provision required under the prudential norms.

Provision as per RBI Prudential Norms		
Asset Classification	Period of overdues	Provision as per RBI Prudential Norms
Outstanding Loan Portfolio (or)		1%
Aggregate Loan Instalments overdue	More than 90 days and Less than 180 days	50%
Aggregate Loan Instalments overdue	180 days or more	100%

In ₹ Lakhs

Asset Classification	%	2022-23	RBI Norms	2021-22	RBI Norms
outstanding loans	1%	14,976.44	149.76	12,479.79	124.80
>90<180 days	50%	36.93	18.46	28.30	14.15
>180 days	100%	293.63	293.63	101.77	101.77
<b>Maximum</b>		<b>330.55</b>	<b>312.09</b>	<b>115.92</b>	<b>124.80</b>
			<b>312.09</b>		<b>124.80</b>

**Note No. 27 Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CCM (PK)-2008 dated 1st August 2008**  
**Capital to Risk asset ratio**

S. No.	Particulars	In ₹ Lakhs	
		As at 31st March, 2023	As at 31st March, 2022
A	Tier I Capital	3,387.01	3,068.02
B	Tier II Capital	201.34	164.22
	% Tier II Capital to Tier I Capital (Not to exceed 100% of T1 Capital)	5.94%	5.35%
	<b>Total</b>	<b>3,588.34</b>	<b>3,232.25</b>
C	Total Risk Weighted Assets	16,106.99	13,137.94
	<b>Capital Adequacy Ratios</b>		
i	Tier I Capital as percentage of Total Risk Weighted Assets (%)	21.03%	23.35%
ii	Tier II Capital as percentage of Total Risk Weighted Assets (%)	1.25%	1.25%
iii	<b>Total Capital (%) (Not less than 15% of Risk weighted Assets)</b>	<b>22.28%</b>	<b>24.60%</b>

**Tier I and Tier II Capital**

Particulars	In ₹ Lakhs	
	2022-23	2021-22
<b>Tier I Capital</b>		
1. Share capital	2,328.36	2,328.36
2. Convertible preference shares	-	-
3. Free reserves	61.10	61.10
4. Share premium	76.13	76.13
5. Statutory Reserve	523.23	425.76
5. Surplus carried to Balance sheet	-	-
6. Capital reserve	-	-
Add:	2,988.82	2,891.35
1. Accumulated profit/ (loss) in balance sheet	408.19	186.67
2. Book value of intangible assets	-	-
3. Deferred revenue expenditure	-	-
<b>Net owned fund</b>	<b>3,397.01</b>	<b>3,078.02</b>
Less:		
1. Excess over 10% over the NOF - Group Exposure		
2. Shares in other NBFC's	10.00	10.00
<b>Tier I Capital</b>	<b>3,387.01</b>	<b>3,068.02</b>
<b>Tier II Capital</b>		
Add:		
1. General provisions and loss reserves to the extent of 1.25% of risk weighted assets.	249.29	164.22
<b>Tier II Capital</b>	<b>249.29</b>	<b>164.22</b>
<b>Total of Tier I &amp; Tier II Capital</b>	<b>3,636.30</b>	<b>3,232.25</b>



**RISK WEIGHTED ASSETS CALCULATION**

In ₹ Lakhs

Asset Particulars	31.03.2023			31.03.2022		
	Amount	% of weight	Risk adjusted amount	Amount	% of weight	Risk adjusted amount
Cash and Bank balances including fixed deposits and certificates of deposits with bank	3,218.13	-	-	1,317.47	-	-
Investments	10.05	100%	10.05	10.05	100%	10.05
Receivables from Financing Activity	14,929.87	100%	14,929.87	12,427.30	100%	12,427.30
Staff Loan	-	0%	-	-	0%	-
Fixed assets net of depreciation	257.30	100%	257.30	243.28	100%	243.28
Rent advance and Caution Deposits	77.45	0%	-	33.12	0%	-
TDS-income tax (net of provision)	71.23	0%	-	-	0%	-
Advance tax paid (net of provision)	101.10	0%	-	21.90	0%	-
Staff Advance	-	0%	-	-	0%	-
Exposure to Group companies	0.47	0%	-	295.34	0%	-
Others to be specified	76.27	0%	-	50.00	0%	-
Income Receivables	909.77	100%	909.77	457.32	100%	457.32
Contingent liability	-	50%	-	-	50%	-
<b>Total risk weighted assets</b>	<b>19,651.17</b>		<b>16,106.99</b>	<b>14,855.77</b>		<b>13,137.94</b>

**Note No.28 Qualifying Assets Ratio**

In ₹ Lakhs

S. No.	Particulars	As at 31st March, 2023		As at 31st March, 2022	
		(Rs. In Lakhs)	%	(Rs. In Lakhs)	%
A.	Total Assets /Net Assets of the Company	19,943.07		13,568.89	
B.	Qualifying Assets (Not less than 75% of Total Assets)	14,971.69		12,453.75	
C.	Qualifying Assets Ratio (B/A)		75.07%		91.78%
D.	Income Generation Loan	-		11,242.03	
E.	Total Loan	14,976.44		12,479.79	
F.	Ratio of Income Generation Loan to Total Loan (D/E) (not less than 50%)		NA		90.08%

In terms of our attached report of even date

**For M/s MANOHAR CHOWDHRY AND ASSOCIATES**

CHARTERED ACCOUNTANTS

FRN: 001997S

*[Signature]*  
**CA. I Daniel Selvaraj**  
(PARTNER)

M. NO: 200322

Place : Madurai  
Date : 19/08/2023  
UDIN : 23200322BGVATB7527



**For M/s BWDA FINANCE LIMITED**

*[Signature]*  
**Joslin Thambi Chelliah**  
(Managing Director)

DIN: 01596878

*[Signature]*  
**Alphina Jos**  
Director

DIN: 05107646

*[Signature]*  
**Balaji Rangarajan**  
(CFO)

PAN: AFQPR7024A

*[Signature]*  
**Sarath EB**  
(Company Secretary)

PAN: KXIPS9788A

**M/s. BWDA FINANCE LIMITED**  
**CIN: U65921TN1995PLC030939**

*(All amounts are in Indian rupees Lakhs, except share data or otherwise stated)*

**Notes to financial statements for the year ended 31 March, 2023**

**NOTE 29: RELATED PARTY TRANSACTIONS**

Disclosure of related parties/ related party transactions pursuant to Accounting Standard (AS) 18 "Related Party Disclosure".

- a) **List of related parties over which control exist and status of transaction entered during the year & balances at year end with Related parties ledgers as follows -**

S. No.	Name of Related Party	Nature of Relationship	Transaction entered during the year (Yes/No)
<b>Key Management Personnel</b>			
1	Dr. C. Joslin Thambi	Managing Director	Yes
2	Ms. Alphina Jos	Whole time Director	Yes
3	Mr. Isaiiah Alwin Zhaharia	Director	Yes
4	Ms. Velayudham Priya	Director	Yes
5	Mr. John Sammuel	Director	Yes
6	Mr. Anburaj	Nominee Director (SIDBI)	No
7	Mr. Asir Raja	Independent Director	Yes
8	Mr. Prakash	Independent Director	Yes
9	Ms. Shirley Thomas	Independent Director	Yes
10	Mr. R. Balaji Rangarajan	Chief financial officer	Yes
11	Mr. Sarath EB	Company Secretary	yes
12	BWDA Welfare Society	Enterprise over which directors, key managerial personnel and their relatives are able to exercise significant control	Yes
13	BWDA Mercantile Pvt Ltd	Enterprise over which directors, key managerial personnel and their relatives are able to exercise significant control	Yes
14	BWDA Mutual Benefit Trust	Enterprise over which directors, key managerial personnel and their relatives are able to exercise significant control	No
15	Dia Vikas Capital Pvt Ltd	Enterprise owning directly and interest in the voting power of the reporting enterprises that gives them control or significant influence	No



16	Centre for Education Development	Enterprise owning directly and interest in the voting power of the reporting enterprises that gives them control or significant influence	No
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**b) The following are the transactions that took place with the related parties**

S No	Name of Related Party	Nature of Transaction	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Dr. C. Joslin Thambi	Salary	32.86	31.26
2	Dr. C. Joslin Thambi	Sitting Fees	0.35	0.24
3	Ms. Alphina Jos	Salary	15.60	15.60
4	Ms. Alphina Jos	Sitting Fees	0.30	0.24
5	Mr. Balaji Rangarajan R	Salary	10.50	-
6	BWDA Society	Rent	72.13	Nil
7	BWDA Society	Service	30.16	Nil
8	BWDA Society	Current Account Payments	85.75	116.23
9	BWDA Society	Current Account Receipt	102.30	111.52
10	BWDA Mercantile Pvt. Ltd.	Current Account Payments	3.45	1,026.27
11	BWDA Mercantile Pvt. Ltd.	Loan paid earlier received	287.65	-
12	BWDA Mercantile Pvt. Ltd.	Current Account Receipt	7.98	738.62
13	Mr. Asir Raja Selvan	Sitting fees	2.00	1.30
14	Mr. Isaiah Alwin Zhaharia	Sitting Fees	0.20	0.24
15	Mr. Prakash	Sitting Fees	1.53	-
16	Ms. Sherley Thomas	Sitting Fees	1.26	-
17	Mr. Isaiah Alwin Zhaharia	Salary	5.04	4.21
18	Ms. Velayudham Priya	Sitting Fees	0.20	0.27
19	Ms. Velayudham Priya	Salary	2.78	2.38
20	Mr. John Samuel	Sitting Fees	1.40	0.60
21	Mr. Sarath EB	Salary	-	-
22	Mr. Sridharan	Salary	-	4.85



**c) Year End Balance**

S No	Name of Related Party	Nature of Transaction	As at 31.03.2023	As at 31.03.2022
1	BWDA Mercantile Pvt. Ltd	Current A/c Receivable	(4.52)	287.64
2	BWDA Society	Current A/c Receivable	(11.84)	4.71
3	Dr. C. Joslin Thambi	Salary Payable	1.44	4.60
4	Ms. J. Alphina Jos	Salary Payable	1.38	1.51
5	Mr. Isaiah Alwin Zhaharia	Salary Payable	0.42	0.37
6	Mr. Balaji Rangarajan	Salary Payable	1.50	-
7	Ms. Velayudham Priya	Salary Payable	0.23	0.16
8	Mr. S. Sridharan	Salary Payable	-	0.38
9	Mr. R. Ganesh	Salary Payable	-	0.77

**NOTE 30: GRATUITY PROVISION****Short term employee Benefits:**

All employee benefits payable wholly within 12 months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, bonus, etc., are recognized in the statement of profit and loss in the period in which the employee renders the related service.

**Defined Contribution Plan:**

Provident fund is a defined contribution plan. The contribution towards provident fund has been deposited with regional provident fund commissioner and is charged to the statement of profit and loss.

**Defined Benefit Plans:**

A defined benefit plan i.e., Gratuity is a post-employment benefit other than defined Contribution plan. The company has not taken actuary valuation report for making gratuity provision. However, the company had created Gratuity provision based on the last drawn salary of the employees who are working at the end of the year. The company is expecting that there may not be a material difference.



**Other long term employee benefits:**

Benefit under compensated absence (arising during the tenure of the service and which are expected on post-employment) constitute other long term employee benefits. Liability if any on the compensated absence shall be recognized immediately in the statement of profit and loss. There is no such events occurred during the financial year.

**NOTE 31: REMUNERATION TO AUDITOR (EXCLUDING GOODS AND SERVICE TAX)**

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Statutory audit	3.00	3.00
Tax Matters	1.00	1.00
<b>Total</b>	<b>4.00</b>	<b>4.00</b>

**NOTE 32: OPERATING LEASE**

The company has taken various residential/commercial premises under cancellable operating lease. These lease agreements are normally renewed on expiry. Lease rental expenses in respect of operating lease recognized in the statement of profit and loss for the year 2022-23 is amounting to 99.82 lacs (Previous year 2021-22 59.24 lacs)

**NOTE 33: SEGMENT REPORTING**

There are no separate reportable segments as per Accounting Standard-17 notified by the Institute of Chartered Accountants of India.

**NOTE 34: IMPAIRMENT OF ASSETS**

As per the management, there is no impairment loss of cash generating assets and hence no provision was made in the financial statements.

**NOTE 35: WRITE OFF FINANCIAL ASSETS**

Loans and Advances (Portfolio) are written off to the extent of 104.60 lacs during the financial year ((Previous year Nil) (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have the financial ability to repay the amounts subject to the write-off.



**NOTE 36: PROVISIONS**

The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

Particulars	As on 31-03-2023	As on 31-03-2022
Provision for receivables under Financing Activity		
Opening Balance	124.80	72.31
Additions -As per Norms	187.29	52.49
Additions-For Bad Debts	104.60	
Utilization / Reversal	(104.60)	-
<b>Closing Balance</b>	<b>312.09</b>	<b>124.80</b>

**NOTE 37: ASSETS UNDER MANAGEMENT**

The Company's asset under Management stands at Rs.38,774/- Lakhs comprising of own portfolio of Rs.14,976/- Lakhs and Managed portfolio of Rs.23,798/- Lakhs. The Liability under managed portfolio is restricted to Rs.1,613/- Lakhs (inclusive of Interest accrued on FLDG on the Basic Principle of Rs.1,150 Lakhs) treated as First Loan Default Guarantee cover (FLDG) and kept in current account as Deposits with the relevant Banks and Institutions.

**NOTE 38: PROCEEDINGS UNDER THE BENAMI TRANSACTIONS (PROHIBITION) ACT, 1988 (45 OF 1988) AND RULES MADE THERE UNDER**

There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

**NOTE 39: RELATIONSHIP WITH STRUCK OFF COMPANIES**

The Company did not have any transactions with companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

**NOTE 40: COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES**

The Company do not have any subsidiary company and accordingly, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for the year under consideration.



**NOTE 41: SCHEME OF ARRANGEMENTS**

There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

**NOTE 42: ADVANCE OR LOAN OR INVESTMENT TO INTERMEDIARIES AND RECEIPT OF FUNDS FROM INTERMEDIARIES**

- (i) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The company has also not 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 (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**NOTE 43: UNDISCLOSED INCOME**

The Company do not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

**NOTE 44: EXPENDITURE IN FOREIGN CURRENCY**

The company has not incurred any Expenditure in foreign currency with regard to Royalty, Know-how, Professional and consultation fees, interest and other expense.

**NOTE 45: DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY**

The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are not applicable.



**NOTE 46: COMPLIANCE WITH SCHEDULE III AMENDMENTS**

The Company is required to comply with the amendments in Schedule III of Companies Act, 2013 notified on 24-03-2021, with effect from 01-04-2021. Accordingly, the Company has complied with the disclosure and presentation requirements.

**NOTE 47: EVENTS OCCURING AFTER THE BALANCE SHEET DATE:****A. Issue of Bonus shares:**

The Company during its board meeting held on 17/06/2023 have approved to allot and distribute 23,28,358 equity shares [FV of Rs.10/- each] to the existing shareholders whose names appear in the Register of Members of the Company as on 30/04/2023 in the ratio of 1 bonus share for every 10 shares held. The aforesaid event have no financial effect in the financial statement as on 31/03/2023.

**B. Major ordinary share transaction:**

One of the investor of the Company M/s. Dia Vikas Capital private Ltd who held 55,94,679 shares (i.e., 21.84% of total shareholding) after bonus issue has sold 33,56,807 shares (i.e., 60% of his shareholding) to Promoter Group of the Company as on 28/07/2023, which was intimated to the Board of directors on 17/06/2023. The aforesaid event have no financial effect in the financial statement as on 31/03/2023.

**NOTE 48: REPORTING ON FRAUDS**

During the FY 2022-23, the employees of the company had embezzled funds amounting to Rs.16.21 lakhs at various branches of the Company. Investigations are in progress and the employees has been dismissed. The Company has a strong believe that the amount is fully recoverable and hence no write off required during the year.

**NOTE 49: CASES FILED AGAINST THE COMPANY**

There are no legal cases filed against the Company.



**NOTE 50: FINANCIAL RATIOS**

S.no	Particulars	Numerator	Denominator	As on 31 March, 2023	As on 31 March, 2022	% of variance	Reason for Variation
1	Current Ratio (times)	Current Assets	Current Liabilities	1.98	1.59	24.89%	The increase is due to BC operation commission due
2	Debt-Equity Ratio (times)	Total Debts	Shareholder's Equity	4.31	3.58	20.41%	Increase in Bank funding. Loan balance as of Mar 23 is Rs. 146.46 crs as against Rs.110.20 in previous year
3	Debt Service Coverage Ratio (times)	Earnings available for Debt Service	Debt Service	0.70	0.79	-11.54%	
4	Return on Equity Ratio (%)	Net Profit after Tax - Preference dividend (if any)	Average Shareholder's Equity	13.70	5.29	158.89%	Increase due to increase in profit when compared with previous year
5	Inventory Turnover Ratio (times)	Net Credit Sales	Average Turnover	NA	NA	0.00%	
6	Trade Receivables turnover ratio (times)	Interest income	Portfolio advance and receivables	0.25	0.24	5.45%	
7	Trade payables turnover ratio (times)	Interest paid	Average total borrowings	NA	NA	0.00%	
8	Net capital turnover ratio (times)	Net Sales	Working capital	0.54	0.68	-21.03%	Increase in sales and increase in working capital due increase in Portfolio
9	Net profit ratio (%)	Net Profit	Net Sales	8.68	5.06	71.67%	Increase due to increase in profit when compared with previous year



10	Return on Capital employed (%)	EBIT	Capital Employed	11.46	10.54	8.71%	
11	Return on investment (%)	Returns from investment	Invested Capital	-	69.67	100.00%	There is no dividend income for the year

**NOTE 51:** All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs up to two decimals as per the requirements of Schedule III, unless otherwise stated.

**NOTE 52: PREVIOUS YEAR FIGURES**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current years classification/disclosure.

In terms of our attached report of even date

For **M/s MANOHAR CHOWDHRY AND ASSOCIATES**

CHARTERED ACCOUNTANTS

FRN: 001997S



**CA.I Daniel Selvaraj**

(PARTNER)

M. NO. : 200322



Place : Madurai

Date : 19/08/2023

UDIN : 23200322BGVATB7527

For **M/s BWDA FINANCE LIMITED**

*Handwritten signatures of Joslin Thambi Chelliah, Alphina Jos, R. Balaji Rangarajan, and Sarath EB*

Joslin Thambi Chelliah (Managing Director) (DIN : 01596878)  
 Alphina Jos (Director) (DIN : 05107646)  
 R. Balaji Rangarajan (C.F.O) (AFQPR7024A)  
 Sarath EB (Company Secretary) (KXIPS9788A)

*Handwritten note: branch S.O. till 05-2023*

# FUTURE OUTLOOK & STRATEGY

ANNUAL REPORT FY 2023



BWDA Finance Limited works for a poverty – free, prosperous, equitable and sustainable society. Our mission is to reach 25 lakh households by 2025 through financial inclusion and capacity building initiatives. Though our core activity is financial inclusion which is delivery of financial services at affordable costs to low-income households and linking the excluded to mainstream formal financial services, we adopt a holistic development approach to ensure overall empowerment and development of beneficiaries. Through various partnerships we implement projects that contribute to 14 United Nations Sustainable Development Goals. At BWDA Finance Limited we believe that low-income households will also have varied needs and have designed a market driven product suite to cater to their needs. We want to strive to become a one stop financial service solution for our members.

Financial year 2022-23 was a good year for BWDA Finance Limited. Income increased by 50.80% and Net Profit increased by 8.04% when compared to the previous year. SBI has credit limit with BFL has increased by 700% in the last two years. There is a steady increase in our Revenue and Profit over the last three years because of the increase in the level of AUM. Revenue increased by 135.75% and Profit increased by 744% over three years. BFL's excellent track record in terms of portfolio quality, customer service and repayment rates even during the trying COVID pandemic has ensured stakeholder confidence resulting in positive trends in revenues and profitability over the last three years. Financial Year 2023-24 looks good and bright. Industry prospects for Micro Finance Institutions also looks good. BFL will raise funds through Rights Issue to the existing shareholders in the Financial year 2023-24. The Company is envisaging to increase its AUM from Rs. 388 crores in FY 2022-23 to 650 crores in FY 2023-24 with a projected revenue of Rs. 79 crores and net profit margin of 15% from the existing 8%.

BWDA Finance Limited's asset under management has grown by almost 100% year on year for the last two consecutive years. We now have a presence in 6 states and union territories with a network of 86 branches and 550 employees. The Vision is to become a small finance bank by 2025.

In line with this vision, BFL seeks to grow organically and inorganically in the next three years. We will have 160 branches with a presence in 10 states in the next three years. Our active client base which is at 1 lakh beneficiaries now, will be around 3 lakhs and our asset under management which is at 387.74 crs is projected to be around 2000 crs in the next couple of years Our networth which is at 35.05 crs will be at 465 crs. Within 3 years BFL will have AI enabled fintech capabilities. On the social impact front we will focus on climate change, food security and providing low income households access to clean energy. We will also focus on building resilient livelihoods and inclusive communities.

# AGM NOTICE

ANNUAL REPORT FY 2023



**BWDA FINANCE LIMITED**  
**U65921TN1995PLC030939**  
**NO858, EAST PONDY ROAD, VILLUPURAM - 605602**  
**Phone: +91-4146-240683 / 243861 Fax: +91-4146-242815**  
**Email: info@bwda.org.in**  
**Website: www.bwdafinanceltd.in**

# NOTICE TO MEMBERS

Notice is hereby given that the 28th Annual General Meeting of BWDA Finance Limited will be held on Friday, 29th September 2023 at 03.00 P.M. registered office No: 858, East Pondy Road, Villupuram - 605602 to transact the following business:

## ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023, the Report of the Auditors thereon and Report of the Board of Directors.
2. To appoint a director in the place of Dr. C Joslin Thambi, (DIN: 01596878) who retires by rotation and being eligible offers himself for Re-Appointment.
3. To declare a final dividend of 8% (0.80 paise only) per equity share of the face value of Rs. 10/- for the financial year 2022 - 2023.

## SPECIAL BUSINESS:

4. To Adopt new set of Articles of Association of the Company:

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

RESOLVED THAT pursuant to and in accordance with the provisions of Section 5 & 14 of the Companies Act, 2013 ("Act") and all other applicable provisions, if any, of the Act or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof), the new set of Articles of Association of the Company, as available for inspection in the registered office of the Company, be and is hereby approved and adopted as the new set of Articles of Association of the Company, in substitution for, and to the exclusion of, the existing Articles of Association of the Company.

RESOLVED FURTHER THAT KMP's of the Company be and are hereby severally authorized to take all actions and do all such acts, deeds, matters and things as may be necessary or desirable in connection with or incidental to give effect to the above resolution.

5. Appointment of Mr. R Prakash (DIN: 03584982) as an Independent Director:

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

"RESOLVED THAT Mr. R Prakash (DIN: 03584982), who was appointed as an Additional

Director of the Company by the Board of Directors with effect from 07th December 2022, in terms of Section 161 of the Companies Act, 2013 and who shall hold office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years upto 06th December, 2027 as per Sections 149, 150 & 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013.

RESOLVED FURTHER THAT KMP's of the company be and are, hereby severally authorized to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary e-forms with Registrar of Companies.

6. Appointment of Mrs. Shirley Thomas (DIN: 08586100) as an Independent Director:  
To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mrs. Shirley Thomas (DIN: 08586100), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 07th December 2022, in terms of Section 161 of the Companies Act, 2013 and who shall hold office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years upto 06th December, 2027 as per Sections 149, 150 & 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013.

RESOLVED FURTHER THAT KMP's of the company be and are, hereby severally authorized to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary e-forms with Registrar of Companies."

7. Appointment of Dr. C Joslin Thambi (DIN: 01596878) as Chairman cum Managing Director (CMD):  
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 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any modifications or re-enactment thereof, for the time being in force in respect of appointment of a Chairman, Director, and Managing Director of a company and in terms of Articles of Association of the Company, in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing his

candidature for the office of Director and whose directorship is liable to retirement by rotation, the members be and is hereby accorded to the appointment of Dr. C Joslin Thambi as Chairman cum Managing Director (CMD) for a period of Three years with effect from 01.10.2023 to 30.09.2026 for a remuneration mentioned below:

#### DETAILS

Basic Pay / Month: Rs. 3,25,000

Perquisites:

Inclusive of HRA, professional pursuits: Rs. 75,000

TOTAL: Rs. 4,00,000

Other perquisites:

(i) Reimbursement of Actual Medical expenses incurred by the CMD and his dependent family members including the insurance premium as applicable to Senior Management personnel of the Company.

(ii) Increment of 15% of the Basic Pay per annum.

(iii) Commission: Not exceeding 1.5 (one and half) percent of net profit in Financial year of the Company subject to attaining a net profit of 10% based on the company's turnover.

(iv) Gas, Electricity, Water, Security, Maid, Drivers and Car as per Actuals.

(v) Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company.

(vi) Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

RESOLVED FURTHER THAT the aggregate of the remuneration payable to Dr. C Joslin Thambi shall be subject to overall ceilings laid down under Part II of Section II of Schedule V of the Companies Act, 2013 relevant rules made therein.

RESOLVED FURTHER THAT the KMP's of the Company be and are hereby severally authorized to take all actions and do all such acts, deeds, matters and things as may be necessary or desirable in connection with or incidental to give effect to the above resolution"

8. Approve of revision of Remuneration of Ms. Alphina Jos, Deputy Managing Director: 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 197, and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any modifications or re-enactment thereof, of the Companies Act, 2013, the Members be and is hereby approve, to revise the remuneration of Ms. Alphina Jos, Deputy Managing Director of the Company for the period 01.10.2023 to 31.03.2025, as follows:

#### DETAILS

Basic Pay / Month: Rs. 2,00,000

Perquisites:

Inclusive of HRA, professional pursuits: Rs. 50,000

TOTAL: Rs. 2,50,000

The following perquisites:

- (i) Reimbursement of actual medical expenses incurred by the Deputy Managing Director and Dependent family members, including the insurance premium as applicable to Senior Management personnel of the Company.
- (ii) Increment of 15% of the basic salary per annum.
- (iii) Gas, Electricity, Water, Security, Drivers, Maid and Cars as per Actuals.
- (iv) Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company.
- (v) Other benefits like Gratuity, Provident Fund, and Leave etc. as applicable to the employees of the Company.

RESOLVED FURTHER THAT the aggregate of the remuneration payable to Ms. Alphina Jos, shall be subject to overall ceilings laid down under Part II of Section II of Schedule V of the Companies Act, 2013 relevant rules made therein.

RESOLVED FURTHER THAT the KMP's of the Company be and are hereby severally authorized to take all actions and do all such acts, deeds, matters and things as may be necessary or desirable in connection with or incidental to give effect to the above resolution."

BY ORDER OF THE BOARD  
For RWDA FINANCE LIMITED

*h  
9/2 with S.B  
19.08.2023*  
Sarath Balasubramanian  
Company Secretary  
ACS 71768

Place : Chennai  
Date : 19.08.2023

NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member. Proxies, to be effective, must be received by the Company not less than 48 hours before the meeting.
2. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

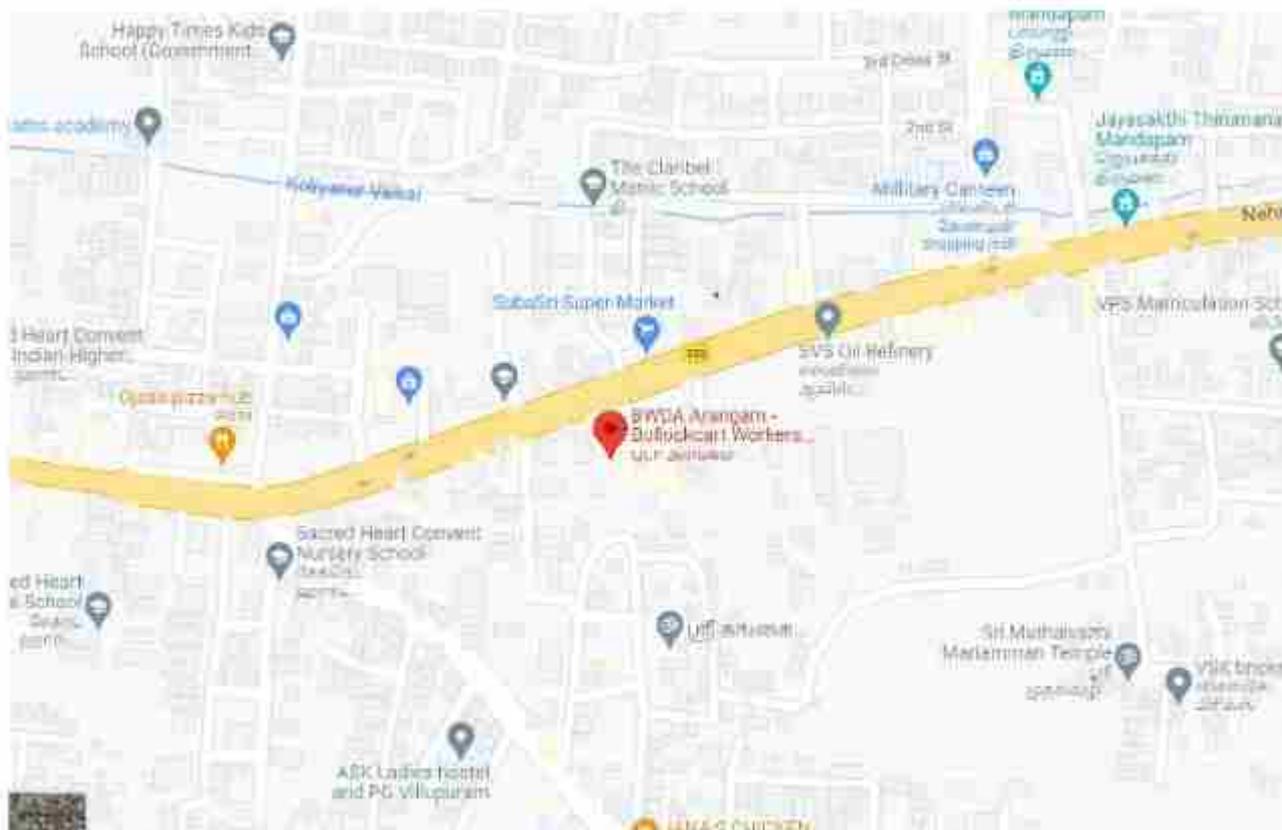
4. A proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on a poll.
5. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
6. In order to enable us to register your attendance at the venue of the Annual General Meeting, members are requested to please bring their folio number/demat account number/DP ID -Client ID to enable us to provide a duly filled attendance slip for your signature and participation at the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Company has fixed record date as on September 27th, 2023, shareholders who possess shares as on that date, are eligible to participate in both dividend distribution and exercise their voting rights at the 28th Annual General Meeting.
9. Pursuant to Section 101 and Section 136 of the Companies Act 2013 read with relevant Companies (Management and Administration Rules), 2014 companies can serve Notice and relevant documents prescribed under the law and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository, To support the 'Green Initiative' Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e- mail address to Ms. S Sadhana Devi, (Email: sadhana.s@bwda.org.in). The Notice of the Annual General Meeting along with the relevant documents for the financial year 2022-2023 is being sent only by electronic mode to those Members whose email addresses are registered with the Company / Depositories in accordance with the aforesaid MCA Circulars. Members may note that the Notice of Annual General Meeting and relevant documents for the financial year 2022-2023 will also be available on the Company's website, [www.bwdafinanceltd.in](http://www.bwdafinanceltd.in).
10. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their e- mail address, are entitled to receive such communication in physical form upon request.
11. All documents referred to in the accompanying Notice shall be open for inspection at the registered office of the Company during business hours except on holidays, up to and including the date of the Annual General Meeting of the Company.
12. Pursuant to the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ('ICSI'), information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished in the explanatory statement.
13. Proxy Form is annexed. Members are requested to affix their signature at the space provided and hand over the same at the entrance to the place of meeting.

14. Electronic copy of the Notice of the 28th Annual General Meeting of the Company Inter alia contains Attendance Slip, and Proxy Form is being sent to all the members whose email IDs are registered with the Company/depository participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copy of the Notice along with Attendance Slip, and Proxy Form is being sent.

15. The Members are requested to dematerialize their shares with their Depository Participants as the Company is public company.

#### ROUTE MAP OF THE AGM VENUE

Venue: NO858, EAST PONDY ROAD, VILLUPURAM NA VILLUPURAM-605602 TAMIL NADU  
Nearest Landmark: Logalakshmi Mahal, Villupuram



## **EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS AS PER THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013:**

### **ITEM No. 4**

#### **TO ADOPT NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY:**

The current Articles are based on the Companies Act, 1956, and several regulations within the existing AoA make references to specific sections of the Companies Act, 1956. Some of these regulations no longer align with the provisions of Companies Act, 2013

As of now, the Companies Act, 2013 is fully in effect. To ensure alignment with the relevant sections and provisions of the Companies Act, 2013, along with its associated rules, it is proposed to replace the Company's existing Articles of Association with a new set of Articles. Furthermore, specific articles within the current AoA were included based on the Common Shareholders Agreement entered into with Dia Vikas during the equity infusion in FY 2011-12. However, these articles have become irrelevant due to Dia Vikas' ongoing exit from the organization.

Given these circumstances, rather than amending various articles in the current AoA, it is deemed advisable and appropriate to adopt a completely new set of Articles of Association for the Company. This would entail substituting and excluding the existing AoA entirely.

As mandated by Section 14 of the Companies Act, 2013 ("Act"), the approval of the Company's members through a Special Resolution is necessary for the adoption of these new Articles of Association. Thus, this matter has been presented before the Shareholders for their approval.

#### **The key amendments proposed for the Company's Articles of Association are as follows:**

Inclusion of provisions from rules established under the Companies Act, 2013

Replacement of relevant sections from the Companies Act, 1956 with corresponding sections from the Companies Act, 2013

Removal of specific rights granted to Dia Vikas

The Company's Board of Directors strongly recommends the passage of the resolution outlined in the aforementioned Notice.

A copy of the proposed new Articles of Association will be available for review at the Company's registered office on all working days, excluding Saturdays, Sundays, and Public Holidays, between 9:30 A.M. and 2:00 P.M. leading up to the Annual General Meeting. Additionally, it will be posted on the Company's website for shareholders to peruse.

None of the Company's directors, managers, key managerial personnel, or their relatives have any financial or other interests in the special resolution, except in relation to their respective shareholdings in the Company.

### **ITEM No. 5**

#### **APPOINTMENT OF MR. R. PRAKASH (DIN: 03584982) AS AN INDEPENDENT DIRECTOR:**

To bring more experience on the Board, The Board had appointed Mr. R. Prakash as an Additional Director (Category- Independent Director) on 07th December 2022 for a term of 5 (Five) consecutive years and he holds office upto this Annual General Meeting.

Mr. R Prakash is a Fellow member of Institute of Company Secretaries of India and also a

Law Graduate, has more than a Decade years of experience In Legal and Secretarial domain. He is serving as General Manager in Kothari Sugars and Chemicals Limited as Company Secretary and also serving as Board Member multiple entities of the Same Group.

The Nomination and Remuneration Committee of the Board of Directors, has recommended the appointment of Mr. R. Prakash (DIN- 03584982) as an Independent Director for a term of 5 (Five) consecutive years on the Board of the Company.

The Board, as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and vast experience, his association would be very beneficial to the Company and it is desirable to appoint him as an Independent Director.

In the opinion of the Board, Mr. R. Prakash is Independent from the management and that he fulfils the condition specified in the Companies Act 2013 ("Act") and the Rules for appointment as an Independent Director of the Company and proposes to appoint him as an Independent Director of the Company for a term of 5 (Five) years.

Mr. R. Prakash (DIN- 03584982) is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given his consent to act as Director.

A copy of the draft letter of appointment as an Independent Director setting out the terms and conditions of the said appointment would be available for inspection at the Registered Office of the Company during normal business hours on any working day without payment of any fee, by the member.

The Company has received requisite notice from a member proposing Mr. R Prakash for the Candidate for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013

Except Mr. R Prakash, being the appointee, none of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way concerned or interested, financially or otherwise in the resolution.

The Board of the Directors of the Company considers that this resolution is in the best interests of the Company, its shareholders and therefore recommends the passing of the ordinary resolution as set out in the Notice.

#### **ITEM No. 6**

#### **APPOINTMENT OF MRS. SHIRLEY THOMAS (DIN: 08586100) AS AN INDEPENDENT DIRECTOR:**

To bring more experience on the Board, the Board had appointed Mrs. Shirley Thomas (DIN: 08586100) as an Additional Director (Category- Independent Director) on 07th December 2022 for a term of 5 (Five) consecutive years and She holds office upto this Annual General Meeting.

Mrs. Shirley Thomas has an all-round Banking experience spread over Branch Banking to Network Level Senior Management roles with State Bank of India (SBI). She started her career in 1984 as a Probationary Officer in SBI. Her key areas of expertise are finance,

banking, management, sales, and administration. She was Senior Vice President, Sales and Distribution during the period from September 2008 to November 2012. She had handled Corporate Banking, Retail Business, Agricultural Finance, International Banking, Non-Resident Accounts, and Small-Scale Industries in several large branches in her distinguished career and also handled many positions over the last several years including Senior Vice President, Strategic Partnership and Remittances; Senior Vice President, Sales and Distribution; Assistant General Manager, Stressed Asset Management Branch; Deputy General Manager, Group Risk; Deputy General Manager, Enterprise Risk and Group Risk Management; General Manager Chennai Circle, etc. Shirley Thomas was also a Nominee Director of ITCOT Limited for a period of 1 year.

The Nomination and Remuneration Committee of the Board of Directors, has recommended the appointment of Mrs. Shirley Thomas (DIN- 08586100) as an Independent Director for a term of 5 (Five) consecutive years on the Board of the Company.

The Board, as per the recommendation of the Nomination and Remuneration Committee, considers that, given her background and vast experience, her association would be very beneficial to the Company and it is desirable to appoint him as an Independent Director.

In the opinion of the Board, Mrs. Shirley Thomas is Independent from the management and that he fulfils the condition specified in the Companies Act 2013 ("Act") and the Rules for appointment as an Independent Director of the Company and proposes to appoint him as an Independent Director of the Company for a term of 5 (Five) years.

Mrs. Shirley Thomas (DIN- 08586100) is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given his consent to act as Director.

A copy of the draft letter of appointment as an Independent Director setting out the terms and conditions of the said appointment would be available for inspection at the Registered Office of the Company during normal business hours on any working day without payment of any fee, by the member.

The Company has received requisite notice from a member proposing Mrs. Shirley Thomas for the Candidate for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013

Except Mrs. Shirley Thomas, being the appointee, none of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way concerned or interested, financially or otherwise in the resolution.

The Board of the Directors of the Company considers that this resolution is in the best interests of the Company, its shareholders and therefore recommends the passing of the ordinary resolution as set out in the Notice.

#### **ITEM No. 7**

#### **APPOINTMENT DR. C JOSLIN THAMBI (DIN: 01596878) AS CHAIRMAN CUM MANAGING DIRECTOR (CMD) AND APPROVE REMUNERATION:**

The Members of the BWDA Finance Limited must consider a term of Five Years for Dr. Joslin

C Thambi as Chairman cum Managing Director (CMD) of the Company in order to recognize his dedicated efforts to build this organization from bottom level to this level and to realize his vision of making BWDA Finance Limited a Small Finance Bank in near future.

The above performance was possible because of the continuous hard work of Dr C. Joslin Thambi. The portfolio has increased by 1251.19 % since reclassification in 2018, Rs. 640.44 crores have been raised both the term loan and BC model. In addition to that, Dr. C. Joslin Thambi has given a personal guarantee of Rs.156 crores or getting all Term loans and BC-BA arrangements with financial institutions and Banks, for the growth of the organization. It is needless to say that his service for Three years as CMD in this organization is critical for the shaping of the organization and growth of the organization. The mentioned revision of his compensation for the period of 3 years with effect from 01.10.2023 to 30.09.2026 has been recommended in the Nomination and Remuneration Committee and duly approved in the Board meeting held on the respective meetings held on 18.08.2023 and 19.08.2023.

The salary and perquisites mentioned in the Resolution shall be subject to the limits specified in Part II of the Schedule V of the Companies Act, 2013. Provided that in case of loss or inadequacy of profit in any financial year, the above remuneration will be treated as the minimum remuneration payable to the Directors since the same is within the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

The Company has received a notice in writing pursuant to the Section 160 of the Companies Act, 2013 from a Members proposing his Candidature for his office of Director. Except Dr. C Joslin Thambi and Ms. Alphina Jos, none of the directors, managers, key managerial personnel, or their relatives have any financial or other interests in the special resolution, except in relation to their respective shareholdings in the Company.

The Board of the Directors of the Company considers that this resolution is in the best interests of the Company, its shareholders and therefore recommends the passing of the ordinary resolution as set out in the Notice.

Statement containing additional information as required in Section II of Part II of Schedule V of the Companies Act, 2013 for Dr. C Joslin Thambi as Annexure - A.

**ITEM No. 8**  
**TO APPROVE REVISION OF REMUNERATION OF Ms. ALPHINA JOS, DEPUTY MANAGING DIRECTOR:**

Ms. Alphina Jos has played a vital role in the growth and development of BWDA Finance Limited during her tenure as Deputy Managing Director. Her dedication, leadership, and strategic contributions have been instrumental in driving the organization's progress, aligning with the company's strategic objectives.

Given the significant value brought by Ms. Alphina Jos's leadership, the Board proposes that her remuneration be revised to reflect the noteworthy achievements realized during her term.

This revision aims to acknowledge and appreciate her significant contributions, including her role in portfolio expansion, successful fundraising initiatives, and overall organizational

advancement. The terms of remuneration of Ms. Alphina Jos have been determined by the Board on the Recommendations of the Nomination and Remuneration Committee having regard to the extant provisions of the Companies Act, 2013 and Schedule V thereof.

The salary and perquisites mentioned in the Resolution shall be subject to the limits specified in Part II of the Schedule V of the Companies Act, 2013. Provided that in case of loss or inadequacy of profit in any financial year, the above remuneration will be treated as the minimum remuneration payable to the Directors since the same is within the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

Except Dr. C Joslin Thambi and Ms. Alphina Jos, none of the directors, managers, key managerial personnel, or their relatives have any financial or other interests in the special resolution, except in relation to their respective shareholdings in the Company.

Statement containing additional information as required in Section II of Part II of Schedule V of the Companies Act, 2013 for Ms. Alphina Jos as Annexure - A.

**Annexure – A**

**I. GENERAL INFORMATION:**

1.	Nature of Industry	NBFC – Micro financing institution registered with Reserve Bank of India			
2.	Date or expected date of commencement of commercial production	The company made its mark in the field of Micro Finance from the beginning of financial year 2003-04.			
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.			
4.	Financial performance based on given indicators  (In lacs)	<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>	<b>Increase (%)</b>
		Total Income	3673.82	2436.15	50.80%
		Total Expenses	3226.78	2441.80	43.94%
		Profit Before Tax	447.04	194.35	130.02%
		Profit After Tax	319.00	123.22	158.89%
		EPS (Basic and diluted)	1.33	0.53	158.49%
		Net profit u/s 198 of Companies Act, 2013	798.93	311.70	156.31%
5.	Foreign investments or collaborations, if any	NIL			

**II. INFORMATION ABOUT THE APPOINTEE(S):**

1.	Background details	Dr. Joslin C. Thambi is a seasoned professional with over three decades of experience in the fields of Micro Financing, Social Empowerment, and Rural Financial Inclusion. His expertise and contributions had a significant impact in the Life of BWDA Finance Limited.	Ms. Alphina Jos is a seasoned professional with more than a decade of experience in the fields of Micro Financing, Social Empowerment, and Rural Financial Inclusion. Her expertise and contributions had a significant impact in the Life of BWDA Finance Limited.
2.	Past remuneration	Rs. 3,64,652 (inclusive of Basic pay, HRA, Professional pursuits, etc./month)	Rs. 1,75,000 (inclusive of Basic pay, HRA, professional pursuits etc./month)
3.	Recognition or awards	The Appointee has been honored with a multitude of prestigious awards, including Annai Therasa Award, National Environmental Awareness Award, Rajiv Gandhi Sironmani Award, Dr. Ambedkar Award, and a Doctorate in Social Work. Additionally, He also received the Master of Achievement- Gold Star Millennium Award and the Kamarajar Award for his outstanding contributions and accomplishments.	'Sirantha Mahalir' Award 2022, Spark Foundation and Govt. Law College, Viluppuram. 'Sevai Mangai' Award 2021, for Service to Women by Captain TV, South India Women Achievers Award 2020 for Excellence in Social Service by Twell Magazine, Social Leader of the Year Award 2019, Transformance Forum, Emerging Leader Award 2019, Elets Technomedia Mother Theresa Leadership Award for Excellence in Microfinance Lending.

			Rajya Puraskar Award (Governor Award) for excellence as a Guide in Bharat Scouts and Guides, Asia Pacific Leadership Fellow (G20), East West Center, Honolulu, Hawaii.
4.	Job profile and his suitability	Highly experienced and controls the affairs of the Company. He has successfully and in a sustained way contributed significantly towards Growth in performance of the Company. He has extensive experience in the Micro Finance Industry.	Extensive experience in financial inclusion and BC space. Worked with many leading FIs as a consultant in the financial inclusion space.
5.	Remuneration proposed	Please refer the detailed statement in Resolution.	Please refer the detailed statement in Resolution.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The Median salary for CEO in MFI sector – Medium category as per the study conducted by the MFIN is Rs. 67.8 Lacs.	The Median salary for CEO in MFI sector – Medium category as per the study conducted by the MFIN is Rs. 67.8 Lacs.
7.	Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any.	Ms. Alphina Jos – Deputy Managing Director is relative to Appointee	Mr. C Joslin Thambi –Managing Director is relative to Appointee

### III. Other Information:

1.	Reasons of loss or inadequate profits	As per Section 197 of the Companies Act, 2013, in the event of the absence of profits or inadequacy of profits in any financial year, Shareholders' approval is required for the payment of remuneration to Executive Directors. Although the resolution for seeking approval is taken prospectively, the Management is optimistic about achieving good profits in the upcoming years. This resolution has been passed to proactively address any potential difficulties that may arise in the future, if any.  In light of this, the Company seeks Shareholders' approval for the Special Resolutions proposed in item no(s) 8.  The Company is currently working towards transforming itself into a Small Finance Bank and is actively implementing measures to enhance its operations and performance. It is anticipated that these efforts will lead to significant growth in the Company's portfolio and profits in the coming years.
2.	Steps taken or proposed to be taken for improvement	
3.	Expected increase in productivity and profits in measurable terms	

### IV. Disclosures:

As the company is an unlisted public company, the provision of attaching a Corporate Governance report is not required.

Therefore, the disclosure under this column, as per Schedule V of the Companies Act, 2013, will not be applicable for this entity.

**ATTENDANCE SLIP FOR 28th ANNUAL GENERAL MEETING OF BWDA FINANCE LIMITED  
CIN: U65921TN1995PLC030939  
REG OFFICE & VENUE OF THE MEETING: NO858,EAST PONDY ROAD, VILLUPURAM -  
605602 TAMIL NADU.**

**Phone: +91-4146-240683 / 243861 Fax: +91-4146-242815**

**Email: [info@bwda.org.in](mailto:info@bwda.org.in) Website: [bwdafinanceltd.in](http://bwdafinanceltd.in)**

**Friday, 29th September 2023 at 03.00 P.M.**

**ATTENDANCE SLIP**

Please complete the attendance slip and hand over at the entrance of the Meeting Hall.

Name & Address of the shareholder(s):

Joint Holder's Name, if any:

Folio no./DPID:

No. of Shares held:

I/We hereby record my/our presence at the 28th Annual General Meeting of the Company at No. 858, East Pondy Road, Villupuram - 605602 on Saturday, 29th September, 2023 at 03.00 pm.

Signature of shareholder/Joint Holder/Proxy attending the meeting,.....

Note: Person attending the meeting is requested to bring this attendance slip and Annual report with him/her. Duplicate Attendance slip and Annual Report will not be issued at the Annual General Meeting

**PROXY SLIP FOR 28th ANNUAL GENERAL MEETING OF BWDA FINANCE LIMITED**  
**CIN: U65921TN1995PLC030939**  
**REG OFFICE & VENUE OF THE MEETING: NO858,EAST PONDY ROAD, VILLUPURAM -**  
**605602 TAMIL NADU.**

**Phone: +91-4146-240683 / 243861 Fax: +91-4146-242815**

**Email: [info@bwda.org.in](mailto:info@bwda.org.in) Website: [bwdafinanceltd.in](http://bwdafinanceltd.in)**

**Friday, 29th September 2023 at 03.00 P.M.**

**FORM MGT-11 (Proxy form)**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s):

Registered address:

E-mail Id:

Folio No / Client Id:

DP ID:

I/We, being the member (s), holding ..... shares of the  
above named Company, hereby appoint

1. Name:.....or failing him

2. Name.....

Address(1): .....

Address(2): .....

E-mail Id(1): .....

E-mail Id(2): .....

Signature:.....

Signature:.....

as my/our proxy to attend and vote (on a poll) if any conducted for me/us and on my/our  
behalf at the 28th Annual general meeting, to be held on Friday, the 29th day of September  
2023 at 03.00 p.m. at the Registered office of the Company

Signed this..... day of..... 2023

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. Your proxy will be entitled to vote in the manner as he /she may deem appropriate.
2. For the Resolutions No.1 to 9 please refer to the Notice of the Annual General Meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights, In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.