

**HMT FINANCE PRIVATE LIMITED**  
Registered office: First Floor, Plot. No-A-2, Friends Colony, Lalkothi, Jaipur-  
302015, Rajasthan  
E-mail ID: hmtfinance01@gmail.com, Contact No.: 9799999742  
CIN: U65921RJ1996PTC075859

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**BOARD'S REPORT**

To  
The Members of  
**HMT FINANCE PRIVATE LIMITED**

Your Directors have pleasure in presenting the 27<sup>th</sup> Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended 31st March, 2023

**1. Overview**

HMT Finance Private Limited is Non Banking Financial Company – Non Systemically Important –Non Deposit taking Company is registered with Reserve Bank of India under Section 45-IA of Reserve Bank of India Act,1934 having RBI Regn No. B-10.00324.

**2. Financial Highlights**

The financial performance of your company for the year ending March 31, 2023 is summarized below:

**(Amount in Thousands)**

Particulars	2022-2023	2021-2022
Revenue from Operations	28,544.35	6,944.51
Other Income	0	0
Profit before Interest and Depreciation and Tax	8,921.89	1,717.5
Finance Cost	4,404.25	384.65
Depreciation	777.63	81.12
Net Profit before Tax	3,740.01	1,251.73
Tax Expense: Current tax	972.03	400.06
Tax for earlier years	0	2.61
Deferred Tax	(140.66)	(1.57)
Net Profit after Tax	2,908.65	850.62

### 3. State Of Company's Affairs And Future Outlook

- **Revenue From Operations**

During the reporting period company's performance was satisfactory in terms of revenue generation as the same has generated total revenue of Rs. 28,544.35 (Amount in thousands) which is 311.03% more than the last year's turnover.

- **Profitability**

After meeting out all the administrative and other expenditures, the company has earned Net profit of Rs. 2,908.65 (Amount in thousands). The Net profit of the Company is increased by Rs. 2058.03 (Amount in thousands) in comparison to Net profit in Previous Financial year of Rs. 850.62 (Amount in thousands).

The Board is taking the necessary steps to improve the performance of the Company and to have better working results in the coming years.

- **Branch Network**

During the current Financial year, the company expanded its geographical presence by opening eleven new branches, the details of which are as follows:

S. No.	Branch name	Address	Opening Date
1.	Deoli Branch	Kota Road, Hanuman Nagar, Kota Road, Deoli, Bhilwara, Rajasthan-304804	07-05-2022
2.	Chaksu	Near Bank Of Baroda, Tonk Road, Chaksu-303901	13.05.2022
3.	Nawalgarh Branch	Shikar Road, Near Payal Marbles, Jai Shree Beej Bhandar, Nawalgarh-333303	20-05-2022
4.	Malpura Branch	Dudu Road, Gokul Hotel Ke Pass, Bijoliya Raj.-304502	04-07-2022
5.	Chirawa branch	Sharma Bhavan, 1st Floor, Mandrella Bus Stand, Chirawa-333026	06-07-2022
6.	Bundi Branch	Near By reliance Petrol Pump Silor Road Bundi Raj.(323001)	10-07-2022
7.	Uniara Branch	Sardar Bag ke Samane Sawai Madhopur Road Uniara. Raj-304024	10-07-2022

8.	Jayal Branch	Shiv Shakti Market, Court Ke Samne, Jayal-Nagaur-341023	09-09-2022
9.	Nagaur branch	Kumhari Jarwaza Road, Manasar, Nagaur, Raj-341001	03-10-2022
10.	Bijoliya Branch	Near SDM Office Shakargarh Chouraya Teshil Bijoliya DIST Bhilwara Pin Code 311602	12-11-2022
11.	Merta City Branch	Ganga Parsad Petrol Pump Ke samne, Nagaur, Merta City-341510	16-01-2023

- **Disbursements**

During the year under review, your company has disbursed loan of Rs 137,712,857/- compared to Rs. 28,854,500/- in the previous financial year.

Your company offers different types of loans: Loan against property & Group loan.

Your company continues to pursue the strategy of being multi product & multi locational. The focus across the product is of catering to the lower & the middle income segment who are the key drivers of the Indian economy.

- **Alteration In Memorandum Of Association**

In the Extra Ordinary General Meeting held on 28<sup>th</sup> February 2023, the company decided the following:

- To increase its Authorised Share Capital from Rs.2,60,00,000/- (Rupees Two crore Sixty Lakhs) divided into 2000000(Twenty lakh) 'Ordinary Equity Shares' of Rs. 10/- each and 500000(Five lakh) 'A Ordinary Equity Shares' of Rs. 10/- each and 100000(One lakh)'A 6% Preference Shares' of Rs 10/- each to Rs.3,50,00,000(Rupees Three crore Fifty Lakh ) divided into 2900000(Twenty Nine Lakh) 'Ordinary Equity Shares' of Rs. 10/- each and 500000(Five Lakh) 'A Ordinary Equity Shares' and 100000(One Lakh) 'A 6% Preference Shares' of Rs. 10/- each.
- To alter the clause III (B) namely, "Matters which are necessary for furtherance of the objects specified in clause III (A) are:" of the Memorandum of Association of the Company in accordance with the main objects of the Company.

- **Allotment Of Shares On Right Issue Basis**

The Board of Directors of the company in their meetings held on the following dates passed a Resolution to allot securities on right basis:

- 05-09-2022:-** Issued and allotted 16,000 fully paid up "A Ordinary Equity" Shares.
- 03-02-2023:-** Issued and allotted 32,000 fully paid up "A Ordinary Equity" Shares.
- 31-03-2023:-** Issued and allotted 1,60,000 fully paid-up "Ordinary Equity" Shares.

#### **4. Transfer To Reserves In Terms Of Section 134 (3) (J) Of The Companies Act, 2013**

Company transferred the following amounts in the Reserves in terms of Section 134(3)(J) of the Companies Act, 2013.

(Amount in Thousands)

S.No.	Reserve Head	Opening Balance	Addition	Deduction	Closing Balance
1	Special Reserve u/s 45-IC of RBI Act, 1934	284.67	581.73	0	866.40

#### **5. Dividend**

No Dividend was declared for the current financial year.

#### **6. Change In Nature Of Business**

During the period under review the Company has not changed its line of business in such a way which amounts to commencement of any new business or discontinuance, sale or disposal of any of its existing businesses or hiving off any segment or division.

#### **7. Material Changes And Commitments**

The following material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and on the date of this report (i.e. 05.06.2023):

- **Allotment of shares:**

80,000 "Ordinary Equity" Shares of Rs. 10/- each at a premium of Rs. 115/- were allotted on right issue basis on 03 May 2023.

- **Branches:**

The company opened Six branches, the details of which are as follows:

S. No.	Branch name	Address	Opening Date
1	Kekri	Near Jotibha Fulle Circle, Kota Bypass, Kekri, Raj.-305404	13th April,2023
2	Degana	Near By Nagaur Fatak, Sanjhu Road, Degana, Raj.-341503	15th April,2023
3	Baran	Nigam office Ke Pass, Jhalawar Road, Tel Factory, Baran Raj.-325205	22nd April,2023

4	Ratangarh	Near Girls Collage, Churu Road, Ratangarh, Raj.-331022	3rd May,2023
5	Churu	Near Ravindra hospital, Van Vihar Colony, Panka Road Churu Rajasthan Pin.331001	3rd May,2023
6	Raila	Near Post Office, Raila Road, Tehsil-Bansera, Dist-Bhilwara-311024	20th May,2023

#### **8. Transfer Of Unclaimed Dividend To Investor Education And Protection Fund**

There was no unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, remaining unclaimed/ unpaid in relation to the Company hence the Company is not required to transfer any amount to Investor Education and Protection Fund (IEPF).

#### **9. Particulars Of Loans, Guarantees And Investments**

The Company is an NBFC and investment made during the year are in the ordinary course of business, however the company has not made any investment, grant loans, give guarantee and providing security during the financial year as per section 186 of The Companies Act 2013.

#### **10. Information About Subsidiary/ Jv/ Associate Company**

Company does not have any Subsidiary, Joint venture or Associate Company.

#### **11. DEPOSITS**

The NBFC Registration Certificate issued by RBI restricts the company to accept public deposits. The directors in their meeting had again resolved not to accept public deposit without approval of RBI. As such, the company has not accepted any public deposit during the year.

#### **12. Disclosure relating to the provision of section 73 of companies act,2013 read with rule (2) (1)(c)(viii) of the companies (acceptance of deposit) rules 2014.**

The Company being an NBFC the provisions of Section 73 of Companies Act,2013 read with rule (2) (1)(c)(viii) of The Companies (Acceptance of Deposit) Rules 2014 do not apply to the Company.

#### **13. Related Party Transactions**

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

#### 14. Directors And Key Managerial Personnel

During the current financial year, the following changes have occurred in the constitution of directors of the company.

S.No.	Name	Designation	Appointment/Cessation	Date of appointment/ cessation
1	Mukesh Agarwal	Director	Cessation	17 February 2023

Composition of board of directors as on 31-03-2023 is as follows:

S.No.	Name	Designation	DIN	Date of Appointment
1	Taramati Sharma	Director	07689676	18 May 2020
2	Deepika Agarwal	Director	05126466	18 May 2020
3	Hemlata Sharma	Director	07987269	18 May 2020
4	Meena Gupta	Director	07541801	18 May 2020

#### 15. Declaration By Independent Directors

The Company does not require to appoint Independent Directors. Hence the same clause is not applicable.

#### 16. Number Of Meeting Of Board Of Directors

During the Financial Year, the Company held 28 board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

S.No.	Date of Meeting	Board Strength	No. of Directors Present
1	11/04/2022	5	5
2	15/04/2022	5	5
3	17/04/2022	5	5
4	24/05/2022	5	5
5	26/05/2022	5	5
6	07/06/2022	5	5
7	02/07/2022	5	5
8	03/08/2022	5	5
9	06/08/2022	5	5

10	12/08/2022	5	5
11	16/08/2022	5	5
12	01/09/2022	5	5
13	05/09/2022	5	5
14	12/09/2022	5	5
15	17/10/2022	5	5
16	22/11/2022	5	5
17	29/11/2022	5	5
18	01/12/2022	5	5
19	26/12/2022	5	5
20	05/01/2023	5	5
21	03/02/2023	5	5
22	17/02/2023	4	4
23	23/02/2023	4	4
24	28/02/2023	4	4
25	06/03/2023	4	4
26	23/03/2023	4	4
27	27/03/2023	4	4
28	31/03/2023	4	4

#### **17. Composition Of Audit Committee**

As per the provision of Section 177 along with rules prescribed under the Companies Act, 2013, the company is not required to constitute Audit Committee.

#### **18. Nomination And Remuneration Committee**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

#### **19. Board Evaluation**

The provision of section 134(3) (p) relating to board evaluation is not applicable on the company.

## **20. Directors Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) Company being unlisted sub clause (e) of section 134(5) is not applicable.
- (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.

## **21. Internal Control Systems And Their Adequacy**

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. To ensure effective Internal Financial Controls the Company has laid down the following measures:

All operations are executed through Standard Operating Procedures (SOPs) in all functional activities for which key manuals have been put in place. The manuals are updated and validated periodically.

All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.

Approval of all transactions is ensured through a preapproved Delegation of Authority Schedule which is reviewed periodically by the management.

The Company follows a robust internal audit process. Transaction audits are conducted regularly to ensure accuracy of financial reporting, safeguard and protection of all the assets. Fixed Asset verification of assets is done on an annual basis. The audit reports for the above audits are compiled and submitted to Managing Director and Board of Directors for review and necessary action.

## **22. Annual Return**

The provisions of section 134 (3) (a) of the Companies Act 2013 prescribes the Company to mention the web address, if any, where the Annual Return referred to in sub section (3) of Section 92 of the Act has been placed. Since the Company does not have a website the provisions of section 134 (3) (a) are not applicable to the company.

## **23. Corporate Social Responsibilities (Csr)**

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitution of Corporate Social Responsibility Committee.

## **24. Energy Conservation, Technology Absorption & Foreign Exchange Earnings And Outgo**

### **(A) Conservation Of Energy:**

Steps taken / impact on conservation of energy, with special reference to the following:

- (i) Steps taken or impact on conservation of energy: Not Applicable.
- (ii) Steps taken by the company for utilizing alternate sources of energy including waste generated: Not Applicable.
- (iii) Capital investment on energy conservation equipment: Nil

### **(B) Technology Absorption:**

- (i) Efforts, in brief, made towards technology absorption: Nil
- (ii) Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.: Nil
- (iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: Nil
  - (a) Details of technology imported: N.A.
  - (b) Year of import: N.A.
  - (c) Whether the technology been fully absorbed: N.A.
  - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore: N.A.
  - (iv) The expenditure incurred on Research and Development: N.A.

**(C) Foreign Exchange Earnings And Outgo**

<b>Earnings</b>	Nil
<b>Outgo</b>	Nil

**25. Business Risk Management**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

**26. Significant And Material Orders Passed By The Regulators Or Courts**

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

**27. Auditors**

**◆ Statutory Auditors & Their Report**

At the 25<sup>th</sup> Annual General Meeting held on 14 September 2021, M/s L S Kumar & Associates, Chartered Accountants (Firm Registration Number: 029937N) was appointed as statutory auditors of the company to hold office till the conclusion of the Annual General Meeting to be held for the financial year 2025-2026.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

Company has received certificate from the Auditors to the effect they are not disqualified to continue as statutory auditors under the provisions of applicable laws.

**◆ Cost Auditor**

The Cost Audit in pursuant to section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 is not applicable on the company.

**◆ Secretarial Auditor**

The Secretarial Audit is not applicable on the company as it is not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**28. Statement Regarding Compliances Of Applicable Secretarial Standards**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

**29. Disclosure Under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Further the Company was committed to provide a safe and conducive work environment to its employees during the year under review. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

**30. Vigil Mechanism / Whistle Blower Policy**

The Provisions of Vigil Mechanism under Section 177(9) and (10) of the Companies Act, 2013 are not applicable to the company.

**31. Fraud Reporting**

During the year under review, Auditors of the company have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

**32. Details Of Proceedings Under Insolvency And Bankruptcy Code, 2016**

No application is made and/or no proceedings are pending under Insolvency and Bankruptcy Code, 2016 in favour and/or against the Company during the year and after the end of the financial year till the signing of this Board Report.

**33. Details of difference between amount of valuation done at the time of one time settlement and valuation done while taking the loan**

The said provisions are not applicable to the company.

**34. Credit Rating Of Securities**

The Company has not obtained any credit rating of its securities.

**35. Cautionary Statement**

The statements contained in the Board's Report contain certain statements relating to the future and therefore are forward looking within the meaning of applicable laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

**36. Acknowledgement**

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

**For & on behalf of the Board of Directors  
HMT FINANCE PRIVATE LIMITED**

*हेमलता शर्मा*

**Hemlata Sharma**

**DIN : 07987269**

**Director**

**R/o : Plot No. 57, Kartarpura Fhatak,  
Mahaveer Colony,  
Jaipur-302006, Rajasthan**

*Meena Gupta*

**Meena Gupta**

**DIN : 07541801**

**Director**

**R/o : Plot No 97, Green Town, Near Talent  
Public School, Dadi Ka Phatak, Benar Road  
Jaipur-302012, Rajasthan**

**Date: 05.06.2023**

**Place: Jaipur**