

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2023**

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

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2023**

To,  
The Members,  
Capfloat Financial Services Private Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Capfloat Financial Services Private Limited. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon. Based on my verification of the Capfloat Financial Services Private 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by Capfloat Financial Services Private Limited for the financial year ended on, 31<sup>st</sup> March 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Byelaws Framed there under;
- (iii) 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.

I have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors Independent Directors and Nominee Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance as per the Companies Act 2013 and wherever required the Company has obtained a shorter Notice consent from all the Directors. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the company has the following major events:

i. Right/Preferential issue of shares / debentures etc.

<b>Date of Event</b>	<b>Type of Allotment</b>	<b>Type of Security</b>	<b>Number of Securities</b>
26-04-2022	Preferential Issue	Unsecured Non-Convertible Debenture	11
29-04-2022	Preferential Issue	Secured Non-Convertible Debentures	120
30-04-2022	Preferential Issue	Secured Non-Convertible Debentures	89
04-05-2022	Preferential Issue	Unsecured Non-Convertible Debenture	2
16-05-2022	Preferential Issue	Unsecured Non-Convertible Debentures	3
31-05-2022	Preferential Issue	Secured Non-Convertible Debentures	128
31-05-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
14-06-2022	Preferential Issue	Unsecured Non-Convertible Debentures	12
15-06-2022	Preferential Issue	Unsecured Non-Convertible Debentures	2
16-06-2022	Preferential Issue	Unsecured Non-Convertible Debentures	2
23-06-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
30-06-2022	Preferential Issue	Secured Non-Convertible Debentures	115
01-07-2022	Preferential Issue	Secured Non-Convertible Debentures	30
05-07-2022	Preferential Issue	Unsecured Non-Convertible Debentures	4
14-07-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
20-07-2022	Preferential Issue	Unsecured Non-Convertible Debentures	4
28-07-2022	Preferential Issue	Secured Non-Convertible Debentures	48

29-07-2022	Preferential Issue	Secured Non-Convertible Debentures	99
30-07-2022	Preferential Issue	Secured Non-Convertible Debentures	300
01-08-2022	Preferential Issue	Unsecured Non-Convertible Debentures	5
04-08-2022	Preferential Issue	Unsecured Non-Convertible Debentures	5
08-08-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
10-08-2022	Preferential Issue	Unsecured Non-Convertible Debentures	5
16-08-2022	Preferential Issue	Secured Non-Convertible Debentures	8
20-08-2022	Preferential Issue	Unsecured Non-Convertible Debentures	6
02-09-2022	Preferential Issue	Secured Non-Convertible Debentures	111
07-09-2022	Preferential Issue	Secured Non-Convertible Debentures	22
09-09-2022	Preferential Issue	Secured Non-Convertible Debentures	113
14-09-2022	Preferential Issue	Secured Non-Convertible Debentures	6
16-09-2022	Preferential Issue	Unsecured Non-Convertible Debentures	4
28-09-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
03-10-2022	Preferential Issue	Secured Non-Convertible Debentures	144
07-10-2022	Preferential Issue	Unsecured Non-Convertible Debentures	5
10-10-2022	Preferential Issue	Secured Non-Convertible Debentures	5
14-10-2022	Preferential Issue	Secured Non-Convertible Debentures	24
19-10-2022	Preferential Issue	Unsecured Non-Convertible Debentures	2
04-11-2022	Preferential Issue	Secured Non-Convertible Debentures	123
07-11-2022	Preferential Issue	Secured Non-Convertible Debentures	4
10-11-2022	Preferential Issue	Unsecured Non-Convertible Debentures	3
14-11-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
22-11-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
24-11-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
28-11-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
02-12-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
07-12-2022	Preferential Issue	Secured Non-Convertible Debentures	151
09-12-2022	Preferential Issue	Unsecured Non-Convertible Debentures	2
12-12-2022	Preferential Issue	Secured Non-Convertible Debentures	45
19-12-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
30-12-2022	Preferential Issue	Unsecured Non-Convertible Debentures	1
04-01-2023	Preferential Issue	Secured Non-Convertible Debentures	140
06-01-2023	Preferential Issue	Secured Non-Convertible Debentures	11
06-03-2023	Preferential Issue	Secured Non-Convertible Debentures	200
10-03-2023	Preferential Issue	Secured Non-Convertible Debentures	92
14-03-2023	Preferential Issue	Secured Non-Convertible Debentures	50
16-01-2023	Preferential Issue	Secured Non-Convertible Debentures	100
17-03-2023	Preferential Issue	Secured Non-Convertible Debentures	10
20-03-2023	Preferential Issue	Secured Non-Convertible Debentures	200
30-03-2023	Preferential Issue	Secured Non-Convertible Debentures	400

ii. Redemption / buy-back of securities: Not Applicable

iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act,2013

Type of instrument	Date of passing special resolution	Date of Filing Form MGT 14	Limit (in Rs.)
Total Borrowing Limit	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2023	INR 1500 Crores
Borrowing limit for Issuing/ Offer/ Allotment Of Secured/ Unsecured/ Redeemable Non-Convertible Debenture On Private Placement Basis	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2023	INR 400 Crores (Within the overall Borrowing limit of INR 1500 Crores)

iv. Merger / amalgamation / reconstruction, etc.: Not Applicable

v. Foreign technical collaborations: Not Applicable

vi. Details of the borrowings taken by the Company:

Type of Borrowing Secured/Un-secured	Date of Creation or modification of Charge	Charge ID	Name of Financial institution
Secured- Charge creation	26-04-2022	100569143	AU Small Finance Bank Limited
Secured- Charge creation	02-06-2022	100585999	Northern Arc Capital Limited
Secured- Charge creation	29-06-2022	100593396	Mas Financial Services Limited
Secured- Charge creation	29-06-2022	100593424	Mas Financial Services Limited
Secured- Charge creation	27-09-2022	100620959	Mas Financial Services Limited
Secured- Charge creation	27-09-2022	100621054	Mas Financial Services Limited
Secured- Charge creation	27-09-2022	100621056	Mas Financial Services Limited
Secured- Charge creation	27-09-2022	100621060	Mas Financial Services Limited
Secured- Charge creation	16-12-2022	100657279	Mas Financial Services Limited
Secured- Charge creation	16-12-2022	100657277	Mas Financial Services Limited
Secured- Charge creation	16-12-2022	100657995	Mas Financial Services Limited
Secured- Charge creation	16-02-2023	100683625	Mas Financial Services Limited
Secured- Charge creation	16-02-2023	100684829	Mas Financial Services Limited
Secured- Charge creation	16-02-2023	100684836	Mas Financial Services Limited
Secured- Charge creation	16-02-2023	100684825	Mas Financial Services Limited
Secured- Charge creation	24-03-2023	100695419	Mas Financial Services Limited
Secured- Charge creation	24-03-2023	100696331	Mas Financial Services Limited
Secured- Charge Modification	16-06-2022	100068963	RBL Bank Limited
Secured- Charge creation	15-11-2022	100643659	RBL Bank Limited
Secured- Charge creation	09-06-2022	100585710	Vivriti Capital Private Limited
Secured- Charge creation	09-06-2022	100585891	Vivriti Capital Private Limited
Secured- Charge creation	09-06-2022	100585885	Vivriti Capital Private Limited
Secured- Charge creation	09-06-2022	100585888	Vivriti Capital Private Limited
Secured- Charge creation	09-06-2022	100585887	Vivriti Capital Private Limited
Secured- Charge creation	09-06-2022	100585909	Vivriti Capital Private Limited
Secured- Charge Modification	22-08-2022	100236623	Kotak Mahindra Bank Limited

Secured- Charge Modification	06-10-2022	100236623	Kotak Mahindra Bank Limited
Secured- Charge Modification	31-10-2022	100236623	Kotak Mahindra Bank Limited
Secured- Charge Modification	31-10-2022	100236623	Kotak Mahindra Bank Limited
Secured- Charge Modification	31-01-2023	100236623	Kotak Mahindra Bank Limited
Secured- Charge Modification	31-01-2023	100236623	Kotak Mahindra Bank Limited
<b>Type of Borrowing Secured/Un-secured</b>	<b>Date of allotment</b>	<b>Charge ID</b>	<b>Name of Financial institution</b>
Secured Debentures	29-04-2022	100578101	IDBI Trusteeship Services Limited
Secured Debentures	30-04-2022	100581372	IDBI Trusteeship Services Limited
Secured Debentures	31-05-2022	100597302	IDBI Trusteeship Services Limited
Secured Debentures	30-06-2022	100594624	IDBI Trusteeship Services Limited
Secured Debentures	01-07-2022	100594798	IDBI Trusteeship Services Limited
Secured Debentures	28-07-2022	100628841	IDBI Trusteeship Services Limited
Secured Debentures	29-07-2022	100621069	IDBI Trusteeship Services Limited
Secured Debentures	29-07-2022	100641126	IDBI Trusteeship Services Limited
Secured Debentures	16-08-2022	100620995	IDBI Trusteeship Services Limited
Secured Debentures	02-09-2022	100621077	IDBI Trusteeship Services Limited
Secured Debentures	07-09-2022	100621076	IDBI Trusteeship Services Limited
Secured Debentures	09-09-2022	100621078	IDBI Trusteeship Services Limited
Secured Debentures	14-09-2022	100621339	IDBI Trusteeship Services Limited
Secured Debentures	03-10-2022	100625205	IDBI Trusteeship Services Limited
Secured Debentures	10-10-2022	100625358	IDBI Trusteeship Services Limited
Secured Debentures	14-10-2022	100625362	IDBI Trusteeship Services Limited
Secured Debentures	04-11-2022	100644835	IDBI Trusteeship Services Limited
Secured Debentures	07-11-2022	100644836	IDBI Trusteeship Services Limited
Secured Debentures	07-12-2022	100650407	IDBI Trusteeship Services Limited
Secured Debentures	12-12-2022	100666333	IDBI Trusteeship Services Limited



Secured Debentures	04-01-2023	100676243	IDBI Limited	Trusteeship	Services
Secured Debentures	06-01-2023	100676242	IDBI Limited	Trusteeship	Services
Secured Debentures	06-03-2023	100722099	IDBI Limited	Trusteeship	Services
Secured Debentures	10-03-2023	100722877	IDBI Limited	Trusteeship	Services
Secured Debentures	14-03-2023	100722882	IDBI Limited	Trusteeship	Services
Secured Debentures	16-03-2023	100722912	IDBI Limited	Trusteeship	Services
Secured Debentures	17-03-2023	100722922	IDBI Limited	Trusteeship	Services
Secured Debentures	20-03-2023	100722927	IDBI Limited	Trusteeship	Services
Secured Debentures	23-03-2023	100722928	IDBI Limited	Trusteeship	Services
Secured Debentures	30-03-2023	100723444	IDBI Limited	Trusteeship	Services

**I further report that,**

vi. The Directors declaration given by Mr. Ravi Chandra Adusumalli and Mr. Ravi Shankar Venkataraman Ganapathy Agraharam, as per section 184 for disclosure of their interest in other entities in the form MBP-1 for the financial year 2022-23 have missed reporting the disclosure of their interest in some companies. We have advised the Company to get the updated declarations and place the same before the board in the upcoming Board Meeting. The Company has sent the mail to the respective Directors and expect to receive the updated MBP-1 before the upcoming Board Meeting.

vii. The number of series D CCPS held by Dinesh J Hinduja as on 31<sup>st</sup> March 2022 is reported as 51,364 CCPS (5.88%) under note 21 of notes to financials (standalone), whereas for the year as on 31<sup>st</sup> March 2023 it is reported as 29,164 CCPS (3.34%). Upon discussion with management, it appears to be clerical error while preparation of the financials (standalone) as there were no redemption during the year and the correct numbers are 29,164 CCPS (3.34%) for both the financials years.

However, the Company has taken note of it and the same is taken care of in the consolidated Financial Statement.



*Vempati Venkatesh*  
Vempati Venkatesh  
Practicing Company Secretary

Name of Company Secretary in practice: CS Venkatesh Vempati

ACS/FCs No.: A45991

CP No.: 20548

UDIN: **A045991E000872795**

Peer Review Report No.:04/2023-24

Place: Bengaluru

Date: 26.08.2023