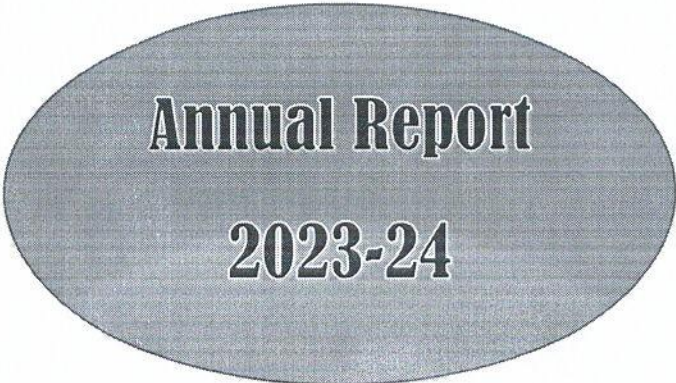


**BEST CAPITAL SERVICES LIMITED**

**(U67120RJ1995PLC009942)**

ANNUAL REPORT 2023-24



**Annual Report**

**2023-24**

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## COMPANY OVERVIEW

Best Capital Services Limited ("Best Capital") is a prominent financial services company operating in India. Established in 1995 under the Companies Act, 1956, Best Capital is a registered Non-Banking Finance Company (NBFC) with the Reserve Bank of India (RBI), holding the registration number 10.00063. The company's current RBI classification is non-banking finance company-non deposit accepting.

Best Capital has emerged as one of the fastest-growing NBFCs in the market, thanks to the professional entrepreneurship of its founder, Mr. Arun Bagadia. With a vast experience spanning multiple domains including finance, sales, collections, operations, credit, legal, mining, and business development.

The strength of Best Capital lies in its dedicated team of professionals who are committed to meeting the diverse loan requirements of their customers. The company values its employees and invests in their growth and development, ensuring they possess the necessary skills and expertise to provide top-notch financial solutions.

Best Capital operates across multiple locations, including Jaipur, Gangapur City, Jodhpur, Delhi, Meerut, Ahmedabad, Baroda, Mumbai, Pune, Hyderabad, Bangalore, and more. This widespread presence enables the company to serve a broad customer base and cater to their specific loan needs effectively.

With a strong focus on professionalism, customer satisfaction, and regulatory compliance, Best Capital has earned a reputation for being a reputable and reliable financial services provider. The company is committed to delivering tailor-made financial solutions and upholding high ethical standards in its operations.

As Best Capital continues to expand and evolve, it remains dedicated to its core values of integrity, transparency, and customer-centricity. The company's unwavering commitment to excellence positions it as a trusted partner for individuals and businesses seeking reliable financial services.



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Mr. ARUN BAGADIA**  
Managing Director  
DIN: 03451824

**Mrs. POONAM BAGADIA**  
Whole Time Director  
DIN: 01813434

**Mr. ASHOK KUMAR KURUP**  
Director  
DIN: 09752674

**Mr. HEMANT JANGID**  
Director  
DIN: 07148601

**Mr. NARENDRA KUMAR SHARMA**  
Independent Director  
DIN: 08309202

**Mr. BAJRANG LAL GUPTA**  
Independent Director  
DIN: 09124952

### KEY MANAGERIAL PERSONNEL

**Mr. RAMESHWAR PRASAD JAT**  
CHIEF FINANCIAL OFFICER

**Ms. NAMARTA SINGH**  
COMPANY SECRETARY

### COMMITTEE(S) OF BOARD OF DIRECTORS

#### AUDIT COMMITTEE

Mr. Narendra Kumar  
Sharma (**Chairman**)  
Mr. Bajrang Lal Gupta  
Mr. Ashok Kumar Kurup  
Mr. Arun Bagadia

#### NOMINATION AND REMUNERATION COMMITTEE

Mr. Narendra Kumar Sharma  
(**Chairman**)  
Mr. Bajrang Lal Gupta  
Mr. Ashok Kumar Kurup  
Mr. Arun Bagadia

#### ASSET LIABILITY MANAGEMENT COMMITTEE

Mr. Arun Bagadia (**Chairman**)  
Mrs. Poonam Bagadia  
Mr. Rameshwar Prasad Jat  
Mr. Pankaj Vijayvargia

**RISK MANAGEMENT  
COMMITTEE**

Mr. Arun Bagadia (**Chairman**)  
Mrs. Poonam Bagadia  
Mr. Rameshwar Prasad Jat

**IT STRATEGY  
COMMITTEE**

Mr. Narendra Kumar Sharma  
(**Chairman**)  
Mr. Arun Bagadia  
Mr. Rameshwar Prasad Jat

**AUDITORS**

**INTERNAL AUDITOR**

M/s MK AGRAWAL & ASSOCIATES  
Chartered Accountants  
6/39, Vijay Wari, Sikar Road, Jaipur  
302039 Rajasthan

**STATUTORY AUDITORS**

M/s SHEKHAWAT JAIN & COMPANY  
Chartered Accountants  
Plot No. 190, Narsingh Mandir Colony,  
Khatipura, Jaipur, 302012 Rajasthan

**DEBENTURE TRUSTEE**

**BEACON TRUSTEESHIP LIMITED**

**Regd. Office:** 5W, 5th Floor, The Metropolitan, Bandra Kurla Complex,  
Bandra(East), Mumbai, Mumbai, Maharashtra, India, 400051  
Email-id: [cs@beacontrustee.co.in](mailto:cs@beacontrustee.co.in) Contact no.: 07208967002

**REGISTRAR & SHARE TRANSFER AGENT**

**BEETAL FINANCIAL AND COMPUTER SERVICES PRIVATE LIMITED**

99, Madangir, B/4, Local Shopping Centre, Near Dada Harsukh Das Mandir  
New Delhi, Delhi 110062 India  
Email Id: [beetalrta@gmail.com](mailto:beetalrta@gmail.com) Contact no.: 09312771085

**CONTACT DETAILS**

**BEST CAPITAL SERVICES LIMITED**

REGISTERED OFFICE: 701, 7th Floor, Luhadia Tower Ashok Marg,  
C-Scheme, Jaipur, (Rajasthan) 302001  
Ph: 0141-2378891 / 2378892 / 2378898  
Email Id: [accounts@bestcapital.in](mailto:accounts@bestcapital.in)

## FOUNDER'S VISION AND MISSION

### VISION

Our vision is to provide accessible and affordable credit to enable individuals to achieve their financial objectives. We believe that everyone should have access to financial resources in order to achieve their goals and overcome any unexpected obstacles that may arise. We strive to be our clients' trusted financial partner.

### MISSION

Our mission is to improve the lives of people in rural and semi-urban areas by providing a wide range of financial services. We believe that access to financial resources is critical for economic growth and development, and our goal is to empower individuals by providing them with the credit they require to meet their financial objectives.

## PRODUCT PORTFOLIO

### NEW/USED CAR LOANS

We provide vehicle loans for purchasing new and used car on attractive rates and flexible tenor up to 5 years. We have vast service area in urban as well as rural locations and provide loans to low CIBIL scored customers to help them fulfil dream of owning a car.

### LOAN AGAINST PROPERTY

It is an ideal way to utilize and leverage your property to its full potential. You can mortgage your residential or commercial property to meet your financial requirements for property renovation, personal use or business expansion.

### COMMERCIAL VEHICLE LOANS

Best Capital Services Limited offers loans on all types of Commercial Vehicles (new and used) of all major manufacturers. Commercial loans can be availed for a variety of commercial vehicles which are used at different places to serve various purposes.

## AGRI LOANS

Agriculture is the backbone of Indian economy and to help our farmers we offer specially designed agri loans for your needs. You can improve horticultural production of fruits & vegetables, buying seeds, machinery such as tractors etc.

## MSME LOANS

We offer loans to MSME sectors for growing their businesses where we use difference lending models in which it is provided to individuals or to group of people without any additional guarantee.

## GENERAL INSURANCE

General insurance, also known as non-life insurance, provides coverage for a wide range of assets and liabilities. This type of insurance protects individuals and businesses against financial losses due to unforeseen events such as accidents, natural disasters, and theft. It encompasses various policies such as auto insurance, homeowners insurance, travel insurance, and business insurance. General insurance plays a crucial role in managing risks and providing peace of mind by transferring the financial burden of unexpected events to insurance companies. Policyholders pay premiums to insurers in exchange for coverage, and in the event of a

covered loss, the insurer compensates the policyholder according to the terms of the policy.

## CUSTOMIZED LOANS

Green energy refers to energy derived from renewable and sustainable sources such as sunlight, wind, water, and biomass. Unlike fossil fuels, green energy sources produce minimal or no greenhouse gas emissions, making them environmentally friendly. Technologies like solar panels, wind turbines, hydroelectric dams, and bioenergy systems harness these sources to generate electricity and heat. The shift towards green energy is driven by concerns about climate change, energy security, and the depletion of finite resources, prompting investments in research, development, and adoption of clean energy technologies worldwide. Governments, businesses, and individuals are increasingly embracing green energy solutions to reduce carbon footprints and transition towards a more sustainable energy future.

## CUSTOMIZED LOANS

Best Capital Services limited can design a customized finance plan for you. We can cater to your special financing needs and can make different plans to achieve your objectives.

## **OUR PRESENCE**

Our growth is rooted in a commitment to dedicated customer service, fair business practices, and the implementation of efficient, safe, and trusted financial policies. Our financial services benefits various customers. Our Head office and Corporate Office is in Jaipur, Rajasthan. We are present over 7 States and 11 cities with 29+ Branches.

## **CONVENIENT LOANS THROUGH TECHNOLOGY**

Empowering customers and streamlining operations are at the forefront of our technological initiatives. Automation has driven a significant improvement in accuracy and efficiency, boosting both productivity and reliability. Digital transactions, cornerstone of our customer a engagement strategy, have drastically reduced cash collections and ensured real-time, highly accurate transactions. This eliminates manual intervention, creating a seamless and responsive customer experience.

Security remains paramount in the digital age. We've continually strengthened our IT governance and compliance frameworks to effectively shield our systems from cyber threats. The adoption of e KYC across all operations ensures regulatory compliance and safeguards both customer information and trust.

## **TECHNOLOGY AT THE FOREFRONT**

Leveraging the latest technology trends, we develop and integrate cutting-edge technology and digital initiatives to enhance operational efficiency, elevate customer experiences, strengthen risk management practices and ensure compliance with regulatory standards.

## **SIMPLIFIED THE LOAN JOURNEY**

Further digitalization of our Loan Origination System (LOS) has transformed the customer experience. Key advancements include:

- \* AADHAAR-BASED KYC: Simplified customer on boarding.
- \* ONLINE PAN VERIFICATION: Streamlined processes.



\* BUSINESS RULE ENGINE (BRE): Real time customer segmentation & system deviations for better loan processing.

\* API-DRIVEN VERIFICATIONS: Quick and reliable verification of bank details, litigation history and property information, enhancing credit underwriting.

This revitalized LOS ensures complete adherence to credit policy during disbursement and expedites loan processing by generating deviations and providing real-time loan tracking.

ANNUAL REPORT 2023-24



## **BOARD OF DIRECTOR'S REPORT**

To  
The Members,  
**BEST CAPITAL SERVICES LIMITED**

The Board of Directors are pleased to submit the report of the business and operations of BEST CAPITAL SERVICES LIMITED ("the Company"), along with the audited financial statements, for the financial year ended March 31, 2024.

### **1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:**

The Financial performance of the Company for the Financial Year ended on March 31, 2024 and the corresponding figures for the last year are as under :-

**Amount in Thousands ('000')**

<b>Particulars</b>	<b>2023- 2024</b>	<b>2022- 2023</b>
Profit Before interest, Depreciation & Tax	3,07,370.33	13,00,35.55
Less: Finance Cost	2,43,481.57	8,97,01.54
Less: Depreciation & Amortization Expense	11,035.86	4,359.52
Profit before Tax	52,852.90	35,974.49
Provision for Tax	13,859.51	9,353.37
Deferred Tax	251.38	-29.15
Profit after Tax	38,742.01	26,650.28
Less : Proposed Dividend & Tax thereon	0.00	0.00
Balance carried to Balance Sheet	38,742.01	26,650.28

## 2. STATE OF COMPANY'S AFFAIRS

Best Capital Services Limited ("the Company"), incorporated in Rajasthan, India is a Non-Deposit Taking, Non- Systematically Important Non-Banking Financial Company ("NBFC") holding a Certificate of Registration from the Ministry of Corporate Affairs ("MCA") received on May 2nd, 1995 at Udaipur and is engaged in the business of financing and related activities. The Company's Head office is situated at Jaipur.

The Company had received the certificate of registration from RBI on April 27th, 1998. The registration details are as follows:

- RBI 10.00063
- Corporate Identity Number (CIN) U67120RJ1995PLC009942

The Company offers a broad suite of financial products such as Vehicle Loan, Mortgage Loan, Micro small & medium enterprise ("MSME") Loans to retail clients. To build a quality loan book, your Company endeavors to adopt superior underwriting practices backed by robust monitoring and recovery mechanism. Your Company is committed towards improving efficiency in all its processes and service levels for its customers.

You Company's commitment to exceptional customer service, fair business practices and secure financial management has helped in empowering borrowers. The Company has a network of 28+ branches across various states.

During the year under review, the Revenue from operation of the Company was stood at ₹ 5,20,386.17 Thousand as against that of ₹ 2,58,816.10 Thousand for the financial year 2022- 23.

Profit before Tax for the financial year 2023-24 stood at ₹ 52,852.90 Thousand as against Profit before Tax of ₹ 35,974.49 Thousand for the financial year 2022- 23.

The net profit stood at ₹ 38742.01 Thousand for the financial year 2023-24 as against the net profit of ₹ 26,650.28 Thousand for the financial year 2022- 23.

## 3. TRANSFER TO STATUTORY RESERVE/GENERAL RESERVE

The Company has transferred ₹ 7,748.40 Thousand to Statutory Reserves Fund (Reserve u/s 45-IC of RBI Act, 1934) during the financial year under review as against 5,330.06 Thousand for the financial year 2022- 23.

The Company has transferred ₹ 38,742.01 Thousand to General Reserves during the financial year under review as against ₹ 26,650.28 Thousand for the financial year 2022- 23.

#### **4. CHANGE IN NATURE OF BUSINESS**

During the year, your Company has not changed its business or object and continues to be in the same line of business as per the main object of the Company.

#### **5. DIVIDEND**

With a view to strengthening the financial position of the company, your directors do not recommend payment of any dividend for the year ended on 31st March, 2024 (Previous Year Nil).

#### **6. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Company operates as a standalone entity and does not have any subsidiary, associate and joint venture within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013.

#### **7. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

#### **8. SHARE CAPITAL**

During the year under review, following changes were carried out in the authorized and paid-up share capital of the Company:

##### **(A) Authorized Capital**

During the year under review, No changes took place in the Authorized share capital of the Company The Authorized share Capital of the Company, as at closure of financial year 2023-24, was ₹ 30,00,00,000 divided into 3,00,00,000 Equity Shares of ₹ 10.00 each.

##### **(B) Issued, Subscribed & Paid-up Capital**

During the year under review, company has allotted on Right issue basis 1666621 Equity Shares vide Board Resolution dated 27<sup>th</sup> may, 2023, 1249966 Equity Shares vide Board Resolution dated 24<sup>th</sup> November, 2023, 3103450 Equity Shares vide Board Resolution dated 27<sup>th</sup> February, 2024.

Issued, Subscribed & Paid-up share Capital of the Company at the closure of financial year 2023-24, was ₹ 21,42,28,160 divided into 21422816 Equity Shares of ₹ 10 each.

## 9. RESOURCE MIX

During the Financial Year 2023-24, the Company secured its funding through a diversified pool of lenders which includes Public Sector Banks, Private Sector Banks, Financial Institutions etc. During the year under review, the Company continued with its diverse methods of sourcing funds and has also maintained prudential Asset Liability Match throughout the year. This diversified approach mitigates risk and strengthens Company's financial flexibility.

### (A) Loans from Banks and Financial Institutions

During the Financial Year 2023-24, the Company have received secured long term loan aggregating amounting to Rs. 116,95,00,000/- and .

### (B) Non-Convertible Debentures

The Shareholders of the Company have approved the issuance of Non-Convertible Debentures ("NCDs") on private placement basis in the meeting of shareholders. The company have allotted Non-Convertible Debentures ("NCDs") aggregating to the amount of;

1. Rs. 1,00,00,000/- (Rupees One Crore only) vide Board resolution dated 24<sup>th</sup> July, 2023
2. Rs. 1,20,00,000/- (Rupees One Crore Twenty Lakhs only) vide Board Resolution dated 08<sup>th</sup> November, 2023
3. Rs. 1,00,00,000/- (Rupees One Crore only) vide Board resolution dated 28<sup>th</sup> December, 2023
4. Rs. 1,00,00,000/- (Rupees One Crore only) vide Board Resolution dated 16<sup>th</sup> March, 2024

No interest payment or principal repayment of the term loans and NCDs was due and unpaid as on March 31, 2024. The Company has not received any grievances from the debt security holders. The assets of the Company which are available by way of security are sufficient to discharge the claims of the debt security holders as and when they become due.

### (C) Securitisation/ Assignment of Loan Portfolio

Your Company has actively tapped Securitization market, which has enabled it to create liquidity, diversify liability profile and minimize asset liability mismatches. During the Financial Year 2023-24, your Company have not received any consideration on account of sale from assets assigned on account of securitization of receivables through PTC as no sale has been marked in this behalf.

## 10. ACCOUNTING METHODOLOGY

The financial statements of the Company for Financial Year 2023-24 have been prepared in compliance with the Companies Act, 2013 (the 'Act'), applicable Accounting Standards and amendments thereto and are disclosed in the format prescribed in the Division III to Schedule III to Act applicable for Non-Banking Finance Companies ("NBFC"). The financial statements are presented in Indian Rupees and all values are rounded to the Thousand ('000), except wherever otherwise indicated.

Further, in pursuance to the notification issued by Ministry of Corporate Affairs ("MCA") we would like to apprise that your Company has established the accounting systems in such a way to maintain audit trail of each and every transaction in order to prevent fraud and to manage the risk effectively and efficiently viz; malware and cyber security risk in line with compliance of above notification issued by MCA in this regard.

## 11. DEPOSITS

Being a non-deposit taking Company, your Company has not accepted any deposits within the meaning of the provisions of Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 and provisions of the Companies Act, 2013 are not applicable on the Company. Further, the Company shall not accept deposits from public without obtaining prior approval from the RBI.

## 12. RISK MANAGEMENT

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The Company recognizes that risk is an integral part of business and is committed to managing the risk in proactive and efficient manner. The Company had adopted risk management system through framework of different policies and creating a robust internal monitoring processes to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the system establishes a structured and disciplined approach to Risk Management.

### RISKS & CONCERNS:

The Company is exposed to specific risks that are particular to its business and the environment within which it operates. This includes market risk, credit risk, liquidity and interest rate risk, regulatory risk, macro-economic risk, etc.

- **Market Risk:** The Company does not invest in market instruments therefore has limited exposure to market risk.

- **Credit Risk:** Credit risk is the risk arising out of default or failure on the part of borrowers in meeting their financial obligations towards repayment of loans. Thus, credit risk is a loss as a result of non-recovery of funds lent both on principal and interest counts. There is robust credit process with the risk oversight. The client selection is clearly defined, capability of repayment is rigorously assessed to reduce the defaults and since most of the loans are secured against assets which are valued by independent agencies and the loan to value ratio is restricted, chances of non-recoverability in case of default are minimized. The Company proposes to use various tools like portfolio analytics, bounce analysis, month on board analysis, early vintage analysis and net flow forward analysis to monitor early stress in the portfolio. These will be reported to senior management through Risk Management Committee periodically and if required course correction is undertaken.
- **Liquidity and Interest Rate Risk:** The Company is exposed to liquidity risk principally, as a result of lending and investment for maturity period which may differ from those of its funding sources. The Company will manage this risk by prudent management of resources including long term loans.
- **Regulatory Risk:** As an entity in the financial services sector, the Company is subject to regulations by Indian governmental authorities, including the Reserve Bank of India. Their laws and regulations impose numerous requirements on the Company, including asset classification and prescribed levels of capital adequacy, solvency requirements and liquid assets. There may be future changes in the regulatory system of s in the enforcement of the laws and regulations that could adversely affect the Company's performance All the players are sensitive to this risk and any adverse effect is not isolated to the Company.
- **Macro-economic Risk:** Any unfavorable economic conditions, unstable political environment and changes in Government policies could impact the growth of the Company. Any slowdown in the Indian economy and in particular the financing business could a diversely affect the Company's business. The rural economy is resilient and market is also very large, therefore any slowdown will have only temporary effect.
- **Operational Risk:** The Company is exposed towards various operational risks in the course of its business relating to people, internal controls, processes, technology, infrastructure and other external factors. Towards minimizing operational risks, the Company has created 'maker-checker rule in all processes.

Access to capital and funds, both short term and long term, managing asset-liability mismatches and managing growth without compromising asset quality are some of the challenges faced by all the players, big and small, in the NBFC sector. Your Company is no exception to this. However, we constantly invest in people, processes, technology and systems to manage and mitigate these challenges. Strong credit underwriting processes, early warning checks, strong portfolio analytics to minimise portfolio delinquency are on-going efforts.

### **13. INTERNAL FINANCIAL CONTROLS**

The Management has laid down set of standards, processes and structure which enables to implement internal financial controls across the organization with reference to financial statements and that such controls are adequate and are operating effectively.

The Company has a proper and adequate system of internal financial controls commensurate with its nature and size of business and meets the following objectives:

- Providing assurance regarding the effectiveness and efficiency of operations;
- Efficient use and safeguarding of resources;
- Compliance with policies, procedures and applicable laws and regulations;
- Transactions being accurately recorded and reported timely, and
- The Company has a budgetary control system to monitor expenditures and operations against budgets on an ongoing basis.

### **14. CORPORATE SOCIAL RESPONSIBILITY**

The provisions of the Companies Act, 2013 for CSR are not applicable to the Company.

### **15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The loan made, guarantee given, or security provided in the ordinary course of business by a NBFC registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014. Thus, the particulars of loans and guarantees have not been disclosed in this Board's Report.

### **16. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

Our esteemed Board of Directors brings together a wealth of global experience, strong financial sagacity, strategic astuteness and leadership qualities. Their unwavering commitment to the Company's success is evident in their active participation and preparation for Board Meetings. Through a comprehensive skill assessment, the Board ensures to identify the core skills, expertise and competencies of the Directors in the context of the Company's effective functioning and towards continued achievement.

The Company's Board of Directors consists of leaders and visionaries who provide strategic direction and guidance to the Company. The Board of your Company has an optimum combination of Executive and Non- Executive Directors.

As on March 31, 2024, the Board comprised of 6 (Six) Directors which includes 2 (Two) Independent Directors, 1 Managing Director and 1 Whole Time Director.



All the Directors of the Company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable RBI Directions and that they are not disqualified from being appointed or continuing as Directors in terms of the provisions of Section 164 of the Companies Act, 2013.

**a) BOARD OF DIRECTORS:**

During the Financial Year 2023-24, the following changes have occurred in the Composition of Board of Directors:

1. The Board of Directors in their respective Meetings held on April 05, 2023 the Members of the Company at Extra Ordinary General Meeting held on April 15, 2023 had approved the appointment of Mr. NARENDRA KUMAR SHARMA(DIN -08309202) as an Independent Director of the Company to hold office for a term of 5 (five) years with effect from 15<sup>th</sup> April, 2023 and whose office shall not be liable to retire by rotation.

2. The Board of Directors in their respective Meetings held on February 06, 2024 the Members of the Company at Extra Ordinary General Meeting held on March 01, 2024 had approved the appointment of Mr. BAJRANG LAL GUPTA (DIN -09124952) as an Independent Director of the Company to hold office for a term of 5 (five) years with effect from 01<sup>st</sup> March, 2024 and whose office shall not be liable to retire by rotation.

3. The Members of the Company at their Annual General Meeting held on September 30, 2024 had approved the re-appointment of Mr. ASHOK KUMAR KURUP (DIN - 09752674) Director retires by rotation and being eligible had offered himself for re- appointment in the AGM held on September 30, 2024 as a Director of the Company and whose office shall be liable to retire by rotation.

In compliance with Companies Act, 2013 and pursuant to the Articles of Association of the Company, HEMANT JANGID (DIN: 07148601), Director retires by rotation and being eligible has offered himself for re- appointment. The Board recommends the same for the approval of the Shareholders in ensuing AGM to be held for the year 2023-24.

The necessary resolution for re-appointment of Mr. HEMANT JANGID (DIN: 07148601) forms part of the Notice convening the Annual General Meeting. The profile and particulars of experience that qualify HEMANT JANGID for Board membership, are disclosed in the said Notice.

The Board of the Company has been duly constituted in accordance with the provisions of the Companies Act, 2013. As on the end of the Financial Year, the Company comprises of the following Directors:

S.NO	NAME	DESIGNATION	DIN
1	Mr. Arun Bagadia	Managing Director	03451824
2	Mrs. Poonam Bagadia	Whole Time Director	01813434

3	Mr. Hemant Jangid	Director	07148601
4	Mr. Ashok Kumar Kurup	Director	09752674
5	Mr. Narendra Kumar Sharma	Independent Director	08309202
6	Mr. Bajrang Lal Gupta	Independent Director	09124952

### **Disclosure by Directors**

The Directors on the Board have submitted notice of interest under Section 184(1) i.e. in Form MBP 1, intimation under Section 164(2) i.e. in Form DIR 8 and declaration as to compliance with the Code of Conduct of the Company.

### **Fit and Proper Criteria**

All the Directors of the Company have confirmed that they satisfy the "fit and proper" criteria as prescribed in the Annex XXIII of Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and that they are not disqualified from being appointed/continuing as Directors in terms of Section 164 of the Companies Act, 2013.

### **Declaration by Independent Directors**

The Company has received necessary declaration from the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013. The Independent Directors have affirmed compliance to the code for Independent Directors as prescribed in Schedule IV of Companies Act, 2013. Based on the confirmation/ disclosures received from the Directors and on evaluation of the independence of directors during the Board evaluation process and assessing veracity of disclosures, the Board opined that Independent Directors are independent of the Management of the Company.

Further, pursuant to the provisions of the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 and Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors are registered with the Databank maintained under Indian Institute of Corporate Affairs ("IICA"). With regard to proficiency of the Independent Directors, ascertained from the online proficiency self-assessment test conducted by the IICA, as notified under sub section (1) of Section 150 of the Companies Act, 2013, the Company has taken on record the declarations/disclosures submitted by Independent Directors that either they are exempt from appearing in the test or they have passed the exam as required by the IICA.

## Meeting of Independent Directors

Pursuant to the provisions of the Companies Act, 2013, the Independent Directors met on March 25, 2024 without the presence of Non-Independent Directors and members of the management and all the Independent Directors were present at such meeting.

The following matters were reviewed by the Independent Directors:

- (a) the performance of Non-Independent Directors and the Board as a whole;
- (b) the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- (c) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## b) KEY MANAGERIAL PERSONNEL (KMP)

During the Financial Year 2023-24, Mr. RAMESHWAR PRASAD JAT has been appointed vide Board Resolution dated 20<sup>th</sup> May, 2023 for the post of Chief Financial Officer w.e.f 20<sup>th</sup> May, 2023.

Pursuant to the provisions of the Companies Act, 2013 read with the rules made thereunder, following are the Key Managerial Personnel of the Company as on March 31, 2024:

1. Mr. Rameshwar Prasad Jat (Chief Financial Officer)
2. Ms. Namrata Singh (Company Secretary)

## 17. NUMBER OF MEETINGS

### a) BOARD MEETINGS

Regular meetings of the Board are held, inter-alia, to review and discuss the various businesses that require the approval of the Board. Additional Board meetings are convened, as and when required, to discuss and decide on various business policies, strategies and other businesses.

During the year under review, Board of Directors of the Company met 64 (Sixty Four) times, viz April 01, 2023, April 05, 2023, April 26, 2023, May 05, 2023, May 09, 2023, May 20, 2023, May 23, 2023, May 27, 2023, June 12, 2023, June 16, 2023, June 23, 2023, June 27, 2023, June 30, 2023, July 24, 2023, August 19, 2023, August 21, 2023, August 22, 2023, August 24, 2023, August 27, 2023, August 29, 2023, September 01, 2023, September 02, 2023, September 04, 2023, September 08, 2023, September 11, 2023, September 22, 2023, September 30, 2023, October 04, 2023, October 07, 2023, October 19, 2023, November 04, 2023, November 08, 2023, November 11, 2023, November 16, 2023,

November 21, 2023, November 24, 2023, December 02, 2023, December 11, 2023, December 28, 2023, December 30, 2023, January 06, 2024, January 10, 2024, January 10, 2024, January 16, 2024, January 29, 2024, February 01, 2024, February 03, 2024, February 06, 2024, February 10, 2024, February 14, 2024, February 19, 2024, February 23, 2024, February 24, 2024, February 27, 2024, March 02, 2024, March 07, 2024, March 12, 2024, March 16, 2024, March 19, 2024, March 21, 2024, March 23, 2024, March 27, 2024, March 28, 2024, and March 29, 2024.

Pursuant to the provisions of the Companies Act, 2013 the Quorum was present in each Board Meeting.

The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act.

## **b) SHAREHOLDERS MEETING**

Meeting of members were conducted inter alia as and when required to transact the important businesses of the Company which required approval of the members. During the period under review Annual General Meeting was conducted vide dated September 30, 2023 for the Financial Year 2022-23 and Extra-Ordinary General Meeting were conducted vide dated April 04, 2023, April 15, 2023, July 10, 2023, October 30, 2023, March 01, 2024.

Pursuant to the provisions of the Companies Act, 2013, meeting of members were properly convened and the Quorum was present in each Meeting.

## **18. BOARD COMMITTEES**

In accordance with the applicable provisions of the Companies Act, 2013, the circular(s), notification(s) and directions issued by the Reserve Bank of India and Company's internal corporate governance requirements, the Board has constituted the following Committees, each with a defined mandate outlined in its terms of reference to address specific issues and ensure expedient resolution on diverse matters:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Asset Liability Management Committee
4. Risk Management Committee
5. IT Strategy Committee

## 1. AUDIT COMMITTEE

The Company has formed audit committee for the purpose of assisting the Board in fulfilling its overall responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The **Terms of reference of Audit Committee** specified by the Board of Directors is briefed hereunder;

- a) The recommendation for appointment, remuneration and terms of appointment of auditors of the company
- b) Review and monitor the auditor's independence and performance, and the effectiveness of the audit process
- c) Examination of the financial statement and the auditor's report thereon
- d) Approval or any subsequent modification of transactions of the company with related parties
- e) Scrutiny of inter-corporate loans and investments, if any.
- f) Valuation of undertakings or assets of the company, wherever it is necessary
- g) Evaluation of internal financial controls and risk management systems
- h) Overseeing the vigil mechanism (Compliance of whistle blower policy) of the company and ensuring its effective implementation & functioning.
- i) Monitoring the end use of funds raised through public offers and related matters.

The **Composition of Audit Committee** pursuant to the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, issued by the Reserve Bank of India and provisions of Section 177 of the Companies Act, 2013 is provided hereunder:

S. NO	NAME	DESIGNATION
1	Mr. Narendra Kumar Sharma	Chairman
2	Mr. Bajrang Lal Gupta	Member
3	Mr. Ashok Kumar Kurup	Member
4	Mr. Arun Bagadia	Member

## 2. NOMINATION AND REMUNERATION COMMITTEE

The Company has formed Nomination and Remuneration Committee for the purpose of assisting the Board to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and such other matters specified under various statute.

The Terms of reference of Nomination and Remuneration Committee are briefed hereunder;

- a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director
- b) To ensure 'fit and proper' status of proposed/existing Directors
- c) To recommend to the Board the appointment and removal of Senior Management
- d) To carry out evaluations of Director's performance and recommend to the Board appointment/removal based on his/her performance
- e) To make recommendations to the Board on policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and Executive Directors' remuneration and incentives
- f) To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time, including the suspension or termination of service of an Executive Director as an employee of the company subject to the provision of the law and their service contract
- g) Ensure that level of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks
- h) To devise a policy on Board diversity
- i) To develop a succession plan for the Board and to regularly review the plan.

The Composition of Nomination and Remuneration Committee pursuant to the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions issued by the Reserve Bank of India and provisions of Section 178 of the Companies Act, 2013 is provided hereunder:

S. NO	NAME	DESIGNATION
1	Mr. Narendra Kumar Sharma	Chairman
2	Mr. Bajrang Lal Gupta	Member
3	Mr. Ashok Kumar Kurup	Member
4	Mr. Arun Bagadia	Member

### 3. ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO COMMITTEE)

The company has formed Asset Liability Management Committee (Alco Committee) as required by RBI to assists the board in matters related to asset liability management in the Company.

The Terms of reference of Asset Liability Management Committee (Alco Committee) are briefed hereunder;

- a) Understanding business requirement and devising appropriate pricing strategies
- b) Management of profitability by maintain relevant Net interest margins (NIM)
- c) Ensuring Liquidity through maturity matching.
- d) Management of balance sheet in accordance with internal policies and applicable regulatory requirements.

- e) Approve policy and direction with respect to all aspects of balance sheet management
- f) Ensure the efficient implementation of balance sheet management
- g) Provide strategy and direction with respect to balance sheet structure and shape
- h) Authorize new products and processes
- i) Provide direction relating to the management of the bank's liquid asset buffer
- j) Ensure the bank is compliant with all regulatory requirements on liquidity, funding and capital
- k) Meet with expectations in stressed environments
- l) Overseeing risks relating to liquidity, funding, capital, interest rate and FX risks - This means producing data measures; managing risk exposure through effective execution of the External Market Access Function; managing the liquid asset buffer; and reviewing limit breaches
- m) Review reports on liquidity, market risk and capital management.
- n) To identify balance sheet management issues that are leading to under performance and take corrective action.
- o) Ensuring appropriate mix of different forms of debt i.e. Bank Loans, Commercial Paper, Non-Convertible Debentures, etc.
- p) Giving directions to the ALM team on the interest rate risk.
- q) ALCO delegates the daily management of liquidity risk and interest rate risk to ALM.
- r) Approving major decisions affecting BCSL's risk profile or exposure (product pricing for advances, desired maturity profile and mix of the incremental assets and liabilities, prevailing interest rates offered by peer NBFCs for the similar services/product, etc).
- s) Satisfy itself that the less fundamental risks actively managed, with the appropriate controls in place and working effectively.
- t) Articulate the current interest rate review and formulate future business strategy on this view.

The Composition of Asset Liability Management Committee pursuant to the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions issued by the Reserve Bank of India is provided hereunder:

S. NO	NAME	DESIGNATION
1	Mr. Arun Bagadia	Chairman
2	Mrs. Poonam Bagadia	Member
3	Mr. Rameshwar Prasad Jat	Member
4	Mr. Pankaj Vijayvargia	Member

#### 4. RISK MANAGEMENT COMMITTEE




The company has formed Risk Management Committee as required by RBI to assist the board to monitor, evaluate and manage risks associated with the business of the Company and is responsible for evaluating the overall risks faced by the Company including liquidity risk.

The Terms of reference of Risk Management Committee are briefed hereunder;

- a) Evaluate the overall risks faced by the Company including liquidity risk;
- b) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c) Formulate a detailed risk management policy which shall include a framework for identification of internal and external risks including financial, operational, sectoral, information, cyber security risks or any other risk, measures for risk mitigation, processes for internal controls of identified risks and Business Continuity Plan;
- d) Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- e) Review the Limits as per Risk Appetite Statement of the Company;
- f) Review the Interest Rate Sensitivity Statement and Earnings at Risk;
- g) Assess and recommend to the Board acceptable levels of risk;
- h) Review the Internal Capital Adequacy Assessment Process; and
- i) Review the central records of material outsourcing on a periodic basis.

The Composition of Risk Management Committee pursuant to the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions issued by the Reserve Bank of India is provided hereunder:

S. No.	Name of Members	Designation
1.	Arun Bagadia (Managing Director)	Chairman
2.	Poonam Bagadia (whole time Director)	Member
3.	Rameshwar Prasad Jat (CFO)	Member

## 5. IT STRATEGY COMMITTEE

The company has formed IT Strategy Committee as required by RBI to assist the Board in evaluating and finalizing the technology-related investments, operations, strategies and ensuring their alignment with the Company's overall strategy and objectives.

The Terms of reference of IT Strategy Committee are briefed hereunder;

- a) Ensuring that the management has put an effective strategic planning process in place;
- b) Guide in preparation of IT Strategy and ensuring that the IT Strategy aligns with the overall strategy of the Company towards accomplishment of its business objectives;
- c) Satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organisation;
- d) Ensuring that the processes for assessing and managing IT and cybersecurity risks are in place;
- e) Ensuring that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives;
- f) Ensuring that the Company has in place, documented standards and procedures for administering need based access to an information system;
- g) Review the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company on a periodic basis;
- h) Reviewing the assessment of IT capacity requirements and measures taken to address the issues;
- i) Instituting an appropriate governance mechanism for outsourced processes, comprising of risk-based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end-to-end manner;
- j) Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;
- k) Evaluate the risks and materiality of all existing and prospective IT outsourcing arrangements;
- l) Ensuring that contingency plans have been developed and tested adequately; and

m) Ensuring an independent review and audit in accordance with approved policies and procedures.

The Composition of IT Strategy Committee in compliance with the requirements of Master Direction - Information Technology Framework for the NBFC Sector and Master Direction - Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023 notified on November 07, 2023 issued by the Reserve Bank of India is provided hereunder:

S. No.	Name of Members	Designation
1.	Narendra Kumar Sharma (Independent Director)	Chairman
2.	Arun Bagadia (Managing Director)	Member
3.	Poonam Bagadia (whole time Director)	Member
4.	Rameshwar Prasad Jat (CFO)	Member

## 18. POLICIES OF THE COMPANY

The Board of Directors has formulated the following policies which are available on website of the company [www.bestcapital.in](http://www.bestcapital.in)

- a) Agriculture Loans Policy;
- b) KYC and Anti Money Laundering Policy;
- c) Business Process Flow;
- d) Collections Policy;
- e) Customer Grievance Redressal Mechanism;
- f) Corporate Governance Policy;
- g) Policy on Prevention of Sexual Harassment;
- h) Credit Risk Policy;
- i) Employee Code of Conduct Policy;
- j) Fair Practice Code;

- k) Information Technology (IT) Policy;
- l) Mortgage Loan Policy;
- m) Nomination and Remuneration Policy;
- n) Small Loans Policy; And
- o) Vigil Mechanism/Whistle Blower Policy

## 19. STATUTORY AUDITORS AND STATUTORY AUDIT REPORT

Pursuant to the provisions of Section 139 and 141 of the Companies Act, 2013, M/S SHEKHAWAT JAIN AND COMPANY, Chartered Accountants (Firm Reg. No. 025443C), were appointed as the Statutory Auditors of the Company for a continuous term of 5 (Five) years, and to hold office till the conclusion of 29th Annual General Meeting ("AGM").

M/s SHEKHAWAT JAIN AND COMPANY, Chartered Accountants (Firm Reg. No. 025443C), Statutory Auditors will complete their tenure as Statutory Auditors of the Company on conclusion of ensuing 29th AGM, and as Company is having assets Size less than 1000 crore, as per the Guidelines issued by Reserve Bank of India for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs), vide Circular dated April 27, 2021, therefore as per the Provisions of Section 139 and 141 of the Companies Act, 2013 M/s SHEKHAWAT JAIN AND COMPANY offers himself for Re-appointment for a further period of 5 (Five) years, therefore on the recommendations of Audit Committee, the aforesaid Re-appointment of Statutory Auditors is subject to the approval of Members at the ensuing 29<sup>th</sup> AGM of the Company.

M/s SHEKHAWAT JAIN AND COMPANY, Chartered Accountants (Firm Reg. No. 025443C), have confirmed that they are not disqualified to be appointed as Statutory Auditors of the Company and have confirmed their eligibility in terms of Section 139 and 141 of the Companies Act, 2013 and RBI Guidelines.

The Audit Report on the Financial Statements for the Financial Year 2023-24 does not contain any qualifications, reservations or adverse remarks. The Notes to Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

## 21. INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013, M/s MK AGRAWAL & ASSOCIATES, Chartered Accountants, (FRN: 015611C) were re-appointed

as Internal Auditors of the Company by the Board of Directors at its meeting held on December 30<sup>th</sup>, 2023 to conduct Internal Audit for the Financial Year 2023-24.

The Internal Auditors reports directly to the Audit Committee of the Board. The Audit Committee quarterly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures.

### **23. COST RECORDS AND COST AUDIT**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 of the Companies Act, 2013 are not applicable in respect of the business activities carried out by the Company and hence such accounts and records were not required to be maintained by the Company.

### **24. REPORTING OF FRAUD**

During the year under review, no instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report statutory auditors have been reported to the Audit Committee or the Board, under Section 143 (12) of the Act.

### **25. SIGNIFICANT AND MATERIAL ORDERS**

During the Financial Year 2023-24, no significant and material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

### **26. CORPORATE GOVERNANCE**

In accordance with Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, the Company falls under the category of Base Layer ('NBFC-BL') based on which the Company shall endeavour to make disclosures for the same in Board Report.

The Company is firmly committed to upholding the highest standards of corporate governance. This commitment goes beyond mere compliance with prescribed requirements; the Company actively endeavour to implement best practices that foster transparency, accountability, and sustainable value creation for all stakeholders.

The policy on Corporate Governance is available on the website of the Company at <https://bestcapital.in/media/policies> and annexed in this Annual Report as Annexure 2.

### **27. COMPLIANCE WITH THE SECRETARIAL STANDARDS**

The applicable Secretarial Standards issued by The Institute of Company Secretaries of India, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General

Meetings', respectively, have been duly complied by your Company. The Board has implemented a robust system to ensure ongoing compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

**28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

The details of conservation of energy, technology absorption, foreign exchange earning and outgo are as follows:

**a) CONSERVATION OF ENERGY:**

(i)	the steps taken or impact on conservation of energy	Company's operation does not consume significant amount of energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy.	Not applicable, in view of comments in clause (i)
(iii)	the capital investment on energy conservation equipment's	Not applicable, in view of comments in clause (i)

**b) TECHNOLOGY ABSORPTION:**

(i)	the effort made towards technology absorption	Nil
(ii)	the benefits derived like product improvement cost reduction product development or import substitution	Nil
(iii)	in case of imported technology (important during the last three years reckoned from the beginning of the financial year)	Nil
	(a) the details of technology imported	

	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	Nil

### c) FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, the total foreign exchange used was Rs. Nil and the total foreign exchange earned was Rs. Nil

### 29. RBI GUIDELINES

The Company continues to comply with the RBI regulations as applicable to it. The Company being a Non-Deposit taking non systemically important Non-Banking Financial Company has not accepted any deposits from the public during the year under review and shall not accept any deposits from the public without obtaining prior approval of the RBI. Further, the Company being an NBFC, disclosure requirements under Chapter V of the Act read with Rule 8(5)(v) and 8(5)(vi) of the Companies (Accounts) Rules, 2014 are not applicable to the Company. The Company has also complied with the applicable provisions of the Act, the Reserve Bank of India Act, 1934 and other applicable rules/regulations/guidelines, issued from time to time.

#### Scale Based Regulations

The Scale Based Regulations ("SBR") A Revised Regulatory Framework for NBFCs were notified by the Reserve Bank of India ("RBI") vide its circular number RBI/2021-22/112 DOR.CRE.REC. No. 60/03.10.001/2021-22 dated October 22, 2021, effective from October 01, 2022. Pursuant to the Scale Based Regulations, the RBI has classified your Company as NBFC in Base Layer ("BL"). Your Company has ensured full compliance with various requirements prescribed under SBR for NBFC-BL within the specified timelines including adopting policy for enhanced regulatory framework, Internal Capital Adequacy Assessment Process Policy (ICAAP), complying with large exposure norms, setting limits for sensitive sector exposure etc.

### Fit and proper criteria & code of conduct

Each of the Directors of the Company have confirmed that they satisfy the “fit and proper” criteria as prescribed under Chapter XXIII of RBI Master Direction – Reserve Bank of India (Non- Banking Financial Company – Scale Based Regulation) Directions, 2023 (as amended from time to time) and that they are not disqualified from being appointed/ continuing as Directors in terms of section 164(2) of the Act. Further, all the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct of the Company.

### 30. INFORMATION TECHNOLOGY

The Company has invested into technologies to drive its core system modernization, digital and data initiatives. The Company has standardized its core systems. This is in line with the Company’s endeavor to improve customer experience and operational efficiencies.

The Information Technology (“IT”) team in the Company has continually focused on implementing a centralized and consolidated Information System to enable a smooth and swift flow of information and data across the system. This has enabled the Company to control the cost of operations and provide improved services to customers.

### 31. CREDIT RATING

During the Financial Year 2023-24, INFOMERICS VALUATION AND RATING PVT. LTD., the credit rating agency has revised and upgraded the existing credit ratings of Long-Term Bank Facilities, of the Company from IVR BBB-/ Stable (IVR Triple B Minus/Stable) to IVR BBB/ Stable (IVR Triple B /Stable) on March 20, 2024.

The ratings continue to reflect your Company’s healthy earning profile, adequate capitalization, strong net worth base and steady improvement in its scale of operations.

The Credit Rating details of the Company as on March 31, 2024 are as follows:

Type of instrument	Rating	Name of credit rating agency
Long term Bank Facilities	IVR BBB/ Stable (IVR Triple B /Stable)	INFOMERICS VALUATION AND RATING PVT. LTD.

### 32. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the Financial Year 2023-24, the Company has neither made any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.



### **33. HUMAN RESOURCES**

Your Company believes that its employees are its biggest assets. The workforce at the Company has a right blend of youth and experience and the success of organization is based on the capabilities, passion and integrity of its people. The Company continues to attract and retain talent that focuses on sustained superior performance, provide them opportunities to learn, realize their true potential and contribute positively to the success of the Company.

### **34. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All Related Party Transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with the related parties which could be considered material in terms of Section 188 of the Companies Act, 2013.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 annexed in this Annual Report as Annexure 1.

### **35. ANNUAL RETURN**

Pursuant to section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, the draft Annual Return of the Company for the Financial Year ended on March 31, 2024 is in the prescribed Form MGT-7 is available on the Company's website at <https://bestcapital.in/investors/annual-reports>.

### **36. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has always believed in providing safe and harassment free workplace for every individual working in its premises through various interventions and practices. The Company ensures that the work environment at all its locations is conducive to fair, safe and harmonious relations between employees. It strongly believes in upholding the dignity of all its employees, irrespective of their gender or seniority. Discrimination and harassment of any type are strictly prohibited. With the objective of providing a safe environment to its employees, the Company has adopted a policy for prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and also constituted the Internal Complaints Committee (ICC) under the POSH Act to redress complaints received regarding sexual harassment. The policy is flashed on website of the Company at <https://bestcapital.in/media/policies>.

The Company also provides mandatory induction training on prevention of sexual harassment to every new candidate at the time of joining the Company, as well as all employees. The Company also creates awareness on prevention of sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year 2023-24:

Sr.No.	Particulars	Number
1	No. of Complaints pending at the beginning of the year	0
2	No. of Complaints received during the year	0
3	No. of Complaints resolved during the year	0
4	No. of Complaints pending at the end of the year	0

### **37. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has established a Vigil Mechanism for its Directors and employees to report their concerns or grievances. The said mechanism, inter alia, encompasses the Whistle Blower Policy, the mechanism for reporting of ethical concerns and it provides for adequate safeguards against victimization of persons who use it. The Policy is available on the website of the Company at <https://bestcapital.in/media/policies>.

### **38. ANTI-BRIBERY AND ANTI-CORRUPTION POLICY**

The Company has a Board approved Anti-Bribery and Anti-Corruption Policy ("Policy") which serves as a guide for all employees, directors and associated persons for ensuring compliance with applicable anti-bribery and anti-corruption laws, rules and regulations. The Company follows a 'zero-tolerance approach' towards bribery, corruption, and other wrong practices. The Company is resolute to act professionally, fairly, ethically and with integrity in its dealings and operations. The Company also conducts training for employees to make them aware of the corrupt practices, trade based money laundering events, KYC & AML norms as prescribed by RBI and mandatorily compliance of Code of Conduct of the Company. The said policy is disclosed on the website of the Company at <https://bestcapital.in/media/policies>.

### **39. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**

Your Company hereby discloses that there are no shares in the demat suspense account or unclaimed suspense account.

### **40. INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and

Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, shall be transferred to the Investor Education and Protection Fund ("IEPF").

The provision of Section 125 (2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid in the previous years.

#### **41. ONE TIME SETTLEMENT**

The Company has not entered into a one-time settlement with any of the banks or financial institutions.

#### **42. DIRECTORS'S RESPONSIBILITY STATEMENT**

The Director's Responsibility Statement referred to in clause (c) of Sub- section (3) of Section 134 of the Companies Act, 2013 shall state 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 director had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the director 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;
- e) the directors, in the case of a listed company, had 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 system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **43. GENERAL DISCLOSURE**

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules,

2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year.

#### **44. APPRECIATIONS AND ACKNOWLEDGEMENT**

Your Directors wish to place on record their sincere appreciation for significant contributions made by the employees at all levels through their dedication, hard work and commitment, enabling the Company to achieve good performance during the year under review.

Your Directors also take this opportunity to place on record their gratitude towards valuable co-operation and support extended by the Reserve Bank of India other regulatory and Government Bodies, Ministry of Corporate Affairs, Company's Auditors, Customers, debenture holders, debenture trustees, Bankers, Promoters and Shareholders for their continued confidence reposed in the Company and look forward to having the same support in all future endeavours.


**Place: Jaipur**


**Date: 27<sup>TH</sup> May, 2024**

**Registered office:**

701, 7th Floor, Luhadia Tower,  
Ashok Marg, C-Scheme, Jaipur,  
Rajasthan, India, 302001  
Website: [www.bestcapital.in](http://www.bestcapital.in)  
Email: [accounts@bestcapital.in](mailto:accounts@bestcapital.in)

By order of the Board of Directors  
**BEST CAPITAL SERVICES LIMITED**

  
ARUN BAGADIA  
MANAGING DIRECTOR  
DIN: 03451824

  
POONAM BAGADIA  
WHOLE TIME DIRECTOR  
DIN: 01813434