



COMFORT FINCAP LIMITED

41ST ANNUAL REPORT

2022 - 23





COMFORT FINCAP LIMITED

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Ankur Agrawal	: Executive Director, Chairperson
Mr. Devendra Lal Thakur	: Non-Executive - Independent Director
Mr. Milin Ramani	: Non-Executive - Independent Director
Mrs. Apeksha Kadam	: Non-Executive - Non-Independent Woman Director
Mrs. Nirmala Kanjar	: Chief Financial Officer
Mr. Bharat Shiroya	: Chief Executive Officer
Ms. Sneha Mandelia	: Company Secretary and Compliance Officer

CIN: L65923WB1982PLC035441

REGISTERED OFFICE

22, Camac Street, Block 'B', Ground Floor,
Behind Pantaloons, Kolkata,
West Bengal- 700016, India.

CORPORATE OFFICE

301, 3rd Floor, A Wing, Hetal Arch,
S.V. Road, Malad (West),
Mumbai-400 064 India.
Tel: 022-68948508/09;
Fax: 022-28892527;
Email: info@comfortfincap.com;
Website: www.comfortfincap.com.

REGISTRARS AND SHARE TRANSFER AGENT

M/s. Bigshare Services Private Limited
Office No S6-2, 6th floor Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai - 400093, India.
Tel: 022-62638200;
Fax: 022-62638299;
Website: www.bigshareonline.com;
Email ID: investor@bigshareonline.com.

BANKERS

IDBI Bank Limited
Union Bank of India

STATUTORY AUDITOR

M/s. A. R. Sodha & Co., Chartered Accountants

INTERNAL AUDITOR

M/s. ASHP & Co. LLP, Chartered Accountants

SECRETARIAL AUDITOR

M/s. Mitesh J. Shah & Associates, Company Secretaries

CONTENTS	PAGE NOS.
Chairperson's Message	01
Notice	03
Directors' Report & Annexures	23
Corporate Governance Report	48
Management Discussion & Analysis	76
Standalone Financial Statements	
Independent Auditor's Report	88
Balance Sheet	100
Statement of Profit and Loss	101
Cash Flow Statement	102
Notes on Financial Statements	104
Consolidated Financial Statements	
Independent Auditor's Report	132
Balance Sheet	139
Statement of Profit and Loss	140
Cash Flow Statement	141
Notes on Financial Statements	143

41st Annual General Meeting

Day & Date	Tuesday, September 12, 2023
Time	11:30 A.M. IST
Venue	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

Chairperson's Message

Dear Stakeholders,

Warm greetings to all of you as we are presenting the 41st Annual Report of Comfort Fincap Limited ("the Company") for the financial year 2022-23. One of the underlying keys to success in the financial services industry is earning the confidence, respect, and trust of key constituents. The global pandemic, the war in Ukraine, the continuing COVID-19 pandemic, rising inflation, an energy crisis changed the dynamics of the entire NBFC segment. New-age enterprises that had adopted a completely digital business model to tap new-age customers are now looking at conventional methods to lay off some of the risks. The pandemic not just impacted the economy, but the slowdown increased credit risks. Besides, the regulatory bodies increase vigilance on the NBFC sector to protect the interests of investors and customers.



Against this backdrop, India showcased remarkable resilience in the face of global uncertainties, setting itself apart from numerous advanced economies. I'm so proud of the work that our talented community of solvers has delivered around the world this year to support our clients and to make positive contributions to the society we all share. I would like to thank each and every one of them for their hard work, enthusiasm and perseverance. Our people, and the wide range of skills and experiences they bring to work every day, are the engine of our success. Managing such tough global challenges is possible only when we come together, when people with diverse skills combine forces to solve complex problems, and when business steps up to take responsibility for its impact on the society of which it is an inseparable part.

We are happy to report another outstanding year, characterised by strong financial performance and the consistent achievement of important scorecard objectives. The Company's loan book is very healthy and we are taking maximum steps to ensure that any kind of defaults or adverse circumstances are handled with due care and are minimum. Company is also capitalising all the digital technologies being developed and utilised across the regions. We are ensuring that the products offered by the Company is available to maximum customers so that we can reach majority of them, thereby improving their lifestyles, businesses, etc. In terms of write off and settlements of the loans, the Company is following all the RBI norms and the Company is cautious in considering the loans on the basis of its security terms and its realisable value.

Your Company is very bullish in case of NBFC Business and all the activities are carried out in accordance with RBI and Government of India Guidelines and the Company is participating in this activities thereby benefitting suppliers and customers. Today NBFC's are working par with banking system because of their lending parameters and other factors and making sure that the contribution of the NBFC's in the society is significant.

As the future of work is evolving, enterprises globally are also assessing their approach to talent. Today, companies can tap into talent anywhere and leaders need to learn how to harness the global talent pool effectively.

Within the framework of all these factors and our corporate vision, we will maintain our sensitivity to corporate governance. We aim to raise our corporate governance approach to a higher level every year. Further, Company's CSR efforts are well directed towards empowering, strengthening and developing communities. We undertake focused interventions in the area of rural development by providing food and shelter facilities to needy people and much more. CSR projects for community development are taken by the Company by giving back to the society in a very meaningful way. The Company is doing the same by working with Seth Govindram Charitable Trust so as to fulfill its CSR objectives.

Let me conclude my note by expressing our sincere gratitude once again to those who remained our constant companions throughout time. To our business partners, we are looking forward to carrying on the legacy that we have built together with better prospects. And, last but not the least, to our customers, who reposed their faith in us, we shall spare no effort for delivering the best possible, hassle-free and affordable credit solutions to them. Your trust in us is indeed invaluable for us and together we hope to contribute towards building a more dynamic, resilient, inclusive and equitable society.

Thank you for placing faith in the Company. We thank all our business associate, stakeholders including all the Members for their contribution to Company's success and their continued support. I envision greater achievements for the Company in the years to come and look forward to a successful year ahead.

Regards,
Ankur Agrawal
Chairperson and Director



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 41ST ANNUAL GENERAL MEETING (“AGM / THE MEETING”) OF THE MEMBERS OF COMFORT FINCAP LIMITED (“THE COMPANY”) WILL BE HELD ON TUESDAY, SEPTEMBER 12, 2023 AT 11:30 A.M. THROUGH VIDEO CONFERENCING (“VC”) / OTHER AUDIO VISUAL MEANS (“OAVM”), TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements:

- a) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors’ thereon; and
- b) To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 and the Report of the Auditors’ thereon.

- 2.** To appoint a Director in place of Mr. Ankur Agrawal (DIN:06408167), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 (“the Act”) and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To approve the Related Party Transactions

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

“RESOLVED THAT in supersession to all resolutions passed earlier and pursuant to the provisions of sections 185, 188 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary and pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed at their respective meetings, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to approve all the material related party transactions (including any modifications, alterations or amendments thereto) to be entered into by the Company during the financial year 2023-24 and onwards in the ordinary course of business and on arm’s length basis with related Party/ies and / or with a person in whom any of the director of the Company is interested within the meaning of the Act and SEBI Listing Regulations, as per below framework:

Name of the Related Party	Comfort Intech Limited	Comfort Commotrade Limited	Flora Fountain Properties Limited	Comfort Securities Limited	Deepika Agrawal
Name of the Director or Key Managerial Personnel who is/may be related	Mr. Ankur Agrawal and Mrs. Apeksha Kadam		Mr. Ankur Agrawal	Mrs. Apeksha Kadam	Mr. Ankur Agrawal
Nature of Relationship	Common Directors		Common Director		Related to Mr. Ankur Agrawal, Director of the Company.
Nature and particulars of the contract / arrangement	Related Party Transaction(s) in the nature of providing of Inter - Corporate loan(s) and / or Inter - corporate deposits / business advance for business purpose only, and/or availing and / or providing guarantee(s), and/or providing of security(ies) in connection with any loan taken/ to be taken by entities, being entities under the category of ‘a person in whom any of the director of the company is interested’ as specified in the explanation to Sub-section 2(b) of Section 185 of Companies Act, 2013.				
Material terms of the contract / arrangement	On Arms’ length basis.				
Monetary value of the contract / arrangement for financial year 2023-24 and onwards	Rs. 40 Crore	Rs. 50 Crore	Rs. 40 Crore	Rs. 50 Crore	Rs. 30 Crore
The indicative base price or current contracted price and the formula for variation in the price, if any	Prices are basis on arm’s length having reference of market price.				
Any other information relevant or important for the members to take a decision on the proposed resolution	None				

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and the Board further hereby authorized to resolve and settle all questions, difficulties or doubts that may arise with regard to such payment and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution."



4. To approve revision in remuneration payable to Mr. Ankur Agrawal (DIN: 06408167), Chairperson and Executive Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of sections 197, 198 read with Schedule V of the Companies Act, 2013 (“the Act”) and other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant sub-regulation (6) (e) of Regulation 17 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory modification(s) or re-enactment thereof, for the time being in force), on the recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such approvals as may be required, consent of the members be and is hereby accorded to confirm and pay the remuneration amounting to Rs. 60,00,000/- (Rupees sixty lakh only) per annum w.e.f. April 01, 2023 to Mr. Ankur Agrawal (DIN: 06408167), Executive Director and Chairperson of the Company, which is in excess of the limits prescribed under Section 197 of the Act.

The remuneration payable to Mr. Ankur Agrawal w.e.f. April 01, 2023 is as detailed below:

a. **Remuneration:** Rs. 60,00,000/- (Rupees sixty lakh only) per annum w.e.f. April 01, 2023 + maximum of 10% to 15% increment every year;

b. **Others:**

1. Conveyance: Actual;
2. Medical expenses (including Medical Insurance): Actual incurred in India or abroad (including family members) these facilities will not be considered as perquisites;
3. Mr. Ankur Agrawal will be entitled to leaves as per the rules of the Company as applicable to other employees of his category;
4. Whenever Mr. Ankur Agrawal is required to travel outstation within India and abroad on Company's duty, he shall be paid in the following manner (including for spouse): a) Executive, first class Air Fare / Charter / First Class AC Rail Fare b) Actual expenses to cover stay in hotels and cost of local conveyance;
5. Leave encashment will be provided as per the normal rules of the Company and encashment of such leave at the end of the tenure of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid;
6. Bonus as per the rules of the Company.

RESOLVED FURTHER THAT the consent of the shareholders of the Company be and is hereby accorded that where in any financial year during his tenure as a Chairperson and Executive Director, in the event of absence of profit or inadequate profit, Mr. Ankur Agrawal shall be entitled to aforesaid remuneration subject to provisions of the limits specified in Part II of the Schedule V of the Companies Act, 2013 or if Part II of the Schedule V of the Act are not met then the Company hereby approves the remuneration as decided above.

RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

**BY ORDER OF THE BOARD OF DIRECTORS
FOR COMFORT FINCAP LIMITED****Sd/-
ANKUR AGRAWAL
CHAIRPERSON & DIRECTOR
DIN: 06408167****DATE: JULY 28, 2023****PLACE: MUMBAI****NOTES:**

1. The Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 08, 2020, and April 13, 2020, respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and rules made thereunder and circular nos. 20/2020, 02/2021, 19/2021, 21/2021, 02/2022 and 10/2022 dated May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022 and December 28, 2022 respectively in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)" (collectively referred to as 'MCA Circulars') permitted the Companies whose AGMs are due in the year 2023, to conduct their AGMs on or before September 30, 2023 through VC / OAVM, without the physical presence of the members at a common venue and also provided relaxation from dispatching of physical copies of Notice of AGM and financial statements for year 2023 and considering the above MCA Circulars, Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015" ('SEBI Circular') provided relaxation upto September 30, 2023, from Regulation 36(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") which requires sending hard copy of the Annual Report containing salient features of all the documents prescribed in Section 136 of the Companies Act, 2013 ('Act') to the shareholders who have not registered their email addresses. In compliance with the MCA Circulars and SEBI Circular, the 41st AGM of the Company is being convened and conducted through VC / OAVM, without the physical presence of the Members at a common venue.
2. The Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the special business to be transacted at the ensuing AGM under item nos. 3 and 4 are considered to be unavoidable by the Board and hence, is annexed hereto. The term Member(s) or Shareholder(s) are used interchangeably in this notice.
3. Further, a brief resume of the Director proposed to be re-appointed at this AGM, nature of his appointment, expertise in specific functional areas, names of Companies in which he holds the Directorship and Membership/ Chairpersonship of Board and Committees, Shareholding and relationship between directors inter-se, as stipulated under Regulation 36(3) of the SEBI Listing Regulation and other requisite information as per Secretarial Standard-2 on General Meetings, forms part of this Further, requisite declarations for re-appointment is received from such Director.
4. In case of joint holders attending the meeting through VC / OAVM, only such joint holder whose name appears as the first holder in the order of names will be entitled to vote.



5. The Company has appointed, Mrs. Ramadevi Venigalla, Practicing Company Secretary (Membership no. FCS 7345 and CP no. 17889) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
6. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/ OAVM and vote thereat. Institutional / Corporate Members (i.e. other than Individuals/HUF/NRI, etc.) are required to send the scanned copy of the Board Resolution (PDF/JPGFormat) authorizing their representatives to attend the meeting through VC / OAVM on their behalf and to vote through remote e-voting. The said Resolution / Authorisation shall be sent to the Scrutinizer by email through its registered email address to ramavenigalla@gmail.com with a copy marked to evoting@nsdl.co.in.
7. **Book Closure:** The Register of Members and Share Transfer Books of the Company shall remain closed from September 06, 2023 till September 12, 2023 (both days inclusive) for the purpose of the AGM.
8. **Transfer of Unclaimed Dividend Amount and Shares to the Investor Education and Protection fund ("IEPF") Authority:**

Pursuant to the Section 124 and other applicable provisions of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (including any statutory modification(s) and / or re-enactment(s) thereof for the time being in force), the Company will be transferring the unclaimed and unpaid dividend of the Financial Year 2015-16 from its Unpaid Dividend Account to Investor Education and Protection Fund (hereinafter referred to as "IEPF") after October 16, 2023. Further all the shares in respect of which dividend remaining unpaid shall also be transferred IEPF Authority. The Company has published a newspaper advertisement and has sent individual correspondence to the shareholders whose dividend are lying unpaid and unclaimed for 7 years from the date of transfer to Unpaid Dividend Account of the Company and whose shares are due for transfer to IEPF Authority and the same is made available on website of Company at <http://www.comfortfincap.com/Investorrelation>.

The shareholders are once again requested to claim their un-paid/unclaimed dividend to avoid the transfer to IEPF Authority.

Members who have not yet en-cashed their Final Dividends from Financial Year 2015-16 and thereafter are requested to make their claims to the Company/ RTA. Members are requested to quote folio numbers / DP ID – Client ID in all their correspondence.

In case the members have any queries on the subject matter and the Rules, they may contact the Company's RTA. The members / claimants whose shares and / or, unclaimed dividend, etc., have been transferred to IEPF Authority may claim the shares and unclaimed dividend by making an application to IEPF Authority in IEPF Form-5 (available on www.iepf.gov.in). The member/claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules. It is in the member's interest to claim any un-encashed dividends from IEPF and for future dematerialization of their shares and opt for Automated Clearing House (ACH) mode, so that dividends paid by the Company are credited to the investor's account on time.

9. Members holding shares in physical mode are requested to intimate changes, if any, pertaining to their postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), specimen signature, bank details such as name of the bank and branch details, bank account number, etc to the Company's Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021. The said forms can be

downloaded from the Company's website: <http://www.comfortfincap.com/Investorrelation>. The Company has sent letters to members holding shares in physical mode for furnishing the required details.

10. **Nomination Facility:** As per the provisions of Section 72 of the Act read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 as amended and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.

If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website [https://www.comfortfincap.com/Investorrelation](http://www.comfortfincap.com/Investorrelation).

Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialised form and to the Company's Registrar and Transfer Agent in case the shares are held in physical form.

11. SEBI has mandated that any service request from members holding securities in physical mode shall be entertained only upon registration of the PAN, KYC details and nomination. Further, all members holding shares in physical mode are required to compulsorily link their PAN Card and Aadhaar Card to avoid freezing of folios. The folios wherein any one of the said document/ details are not updated and/or PAN Card and Aadhaar Card are not linked on or after October 01, 2023 shall be frozen by the RTA. The security holder(s) whose folio(s) frozen shall be eligible:
- To lodge any grievance or avail of any service request from RTA, only after furnishing the complete documents/ details as mentioned above;
 - To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode w.e.f. April 01, 2024) only after compliance with the above stated requirements.

Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if the securities continue to remain frozen as on December 31, 2025.

12. Pursuant to SEBI Notification No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022, the Company shall issue securities in dematerialised form only while processing service requests viz. issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal/ Exchange of securities certificate, Endorsement, Sub-division/ Splitting of securities certificate, Consolidation of securities certificates/ folios, Transmission and Transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, format of which is available on the Company's website at <http://www.comfortfincap.com/Investorrelation>. Further, members holding shares in physical form are requested to take action to dematerialise the Equity Shares, promptly to avoid inconvenience in future.
13. In compliance with the aforesaid MCA and SEBI circulars, Notice of the AGM along with Annual Report 2022-23, is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. Furthermore, the hard copy of the Annual Report including Notice of AGM for Financial Year 2022-23 has not been sent to any member, unless any member has requested for the same. Members may note that the Notice and the Annual Report for the financial year 2022-23 will also be available on the website of the Company at <http://www.comfortfincap.com/Investorrelation>, websites of the stock exchanges i.e. BSE Limited and Calcutta Stock Exchange at www.bseindia.com and [https://www.cse-india.com/](http://www.cse-india.com/)