

CORPORATE GOVERNANCE REPORT

INTRODUCTION

As per RBI circular No. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19th April 2022 accordingly Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Paragraph C of Schedule V - Annual Report) as amended from time to time, specifies disclosures to be made in the section on the corporate governance of the Annual Report. With respect to the corporate governance report, non-listed NBFCs should also endeavor to make full disclosure in accordance with the requirement of SEBI (LODR) Regulation, 2015. Non-listed NBFCs at the minimum should disclose following under the corporate governance section of the annual report and according to this circular Dhara Motor Finance Limited complying all the requirements of this circular, corporate governance is a term that refers broadly to the rules, processes, or laws by which businesses are operated, regulated, and controlled. The term can refer to internal factors defined by the officers, stockholders or constitution of a corporation, as well as to external forces such as consumer groups, clients, and government regulations. The Corporate Governance is a key element in enhancing investor confidence, promoting competitiveness and ultimately improving economic growth.

The objective of Corporate Governance is "Enhancement of long-term shareholders value and ensuring the protection of rights of the shareholders" and your company reiterates its commitment to good Corporate Governance.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company policy on Corporate Governance rests on the pillars of Transparency, Accountability, Integrity, Equity and Environment responsibility in all facets of its operations. Good Corporate Governance therefore, embodies both enterprise (performance) and accountability (conformance).

Independent directors are appointed not merely to fulfill the requirement of company act 2013 but for their diverse skills, experience and external objectivity that they bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions.

BOARD COMPOSITION:

AS ON THE 31ST MARCH, 2024:

Sr. No	Name of Director	Designation	Category
1.	Gajendra Singh	Managing Director	Executive
2.	Maneesh Kumar	Whole Time Director	Executive
3.	Shivraj Singh Rana	Director	Non-Executive Non-Independent Director
4.	Bhupendra Singh	Whole Time Director	Executive
5.	Ghanshyam Singh Chauhan	Whole Time Director	Executive
6.	Arun Kumar*	Director	Non-Executive Independent Director
7.	Sanjeev Kumar*	Director	Non-Executive Independent Director
8.	Bajrang Lal Gupta	Additional Director	Non-Executive Independent Director

*During the period under review Mr. Vinod Kumar Kathuria has resigned from the post of Independent Director on 25th December, 2023. The members are further informed that Mr. Arun Kumar & Mr. Sanjeev Kumar has resigned from the Board from 31st may, 2024. Further, Mr. Anil Kumar Dubey ji was appointed as Additional Director in the category of Non-Executive Independent Director in the month of April but due to his death, he is not in the board as of now.

Further, Mr. Sunil Dutt Shivastava ji was appointed as the Additional director on 31st August, 2024 in the category of Non-Executive Independent Director.

Now the board is as follows:

AS ON THE DATE OF APPROVAL OF BOARD REPORT:

Sr. No	Name of Director	Designation	Category
1.	Gajendra Singh	Managing Director	Executive
2.	Maneesh Kumar	Whole Time Director	Executive
3.	Shivraj Singh Rana	Director	Non-Executive Non-Independent Director
4.	Bhupendra Singh	Whole Time Director	Executive
5.	Ghanshyam Singh Chauhan	Whole Time Director	Executive

6.	Sunil Dutt Srivastava	Additional Director	Non-Executive Independent Director
7.	Bajrang Lal Gupta	Additional Director	Non-Executive Independent Director

1. BOARD OF DIRECTORS

The Board of Company consists of 8 Directors with a fair representation of Executive, Non-Executive, and Independent Directors.

The composition and category of Board during the year as follows:

Sr. No	Name of Director	Designation	Category
1.	Gajendra Singh	Managing Director	Executive
2.	Maneesh Kumar	Whole Time Director	Executive
3.	Shivraj Singh Rana	Director	Non-Executive Non-Independent Director
4.	Bhupendra Singh	Whole Time Director	Executive
5.	Ghanshyam Singh Chauhan	Whole Time Director	Executive
6.	Arun Kumar*	Director	Non-Executive Independent Director
7.	Sanjeev Kumar*	Director	Non-Executive Independent Director
8.	Bajrang Lal Gupta	Additional Director	Non-Executive Independent Director

* During the period under review Mr. Vinod Kumar Kathuria has resigned from the post of Independent Director on 25th December, 2023. The members are further informed that Mr. Arun Kumar & Mr. Sanjeev Kumar has resigned from the Board from 31st may, 2024 and the board has accepted their resignation.

BOARD OF DIRECTORS MEETINGS

The Board of Directors duly met nine (15) Times during the Financial Year from 1st April, 2023 to 31st March, 2024. The dates on which meetings were held are as follows:



The periodicity between two Board Meetings was within the maximum time gap as prescribed in the Companies Act, 2013.

The Composition of the Board of Directors, their attendance at Board Meetings and last Annual General Meeting is as under:

Sr. No	Name of Director	Designation	Number of Board Meeting During the Year		Attendance at last year
			Held	Attended	
1.	Gajendra Singh	Managing Director			
2.	Maneesh Kumar	Whole Time Director	15	15	Present
3.	Shivraj Singh Rana	Director	15	15	Present
4.	Bhupendra Singh	Whole Time Director	15	15	Present
5.	Ghanshyam Singh Chauhan	Whole Time Director	15	15	Present
6.	Arun Kumar*	Director	15	15	Present
7.	Sanjeev Kumar*	Director	15	15	Present
8.	Vinod Kumar Kathuria*	Director	15	06	
9.	Bajrang Lal Gupta	Additional Director	15	02	Present

The Minutes of the Meetings of the Board of Directors are discussed and taken note and bind with Minute's Book.

2. INDEPENDENT DIRECTORS MEETING:

One Meeting of Independent Directors held on 07th March, 2024 during the financial year ended March 31, 2024.

The meeting shall:

- Review the performance of non-independent directors and the Board as a whole;
- Review the performance of Chairman of the company, taking into account the views of executive directors and non-executive directors and;
- Assess 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.

Familiarization Program me for Independent Director

At the time of appointing a director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected by him/her as a director of company. The chairman and Managing Director also have a one to one discussion with the newly appointed director to familiarize him/her with the company operations. The Familiarization Program policy for the directors is given on the website of the company i.e. <https://www.dharamotor.com/index.html>

3. COMMITTEES MEETINGS

The Board has Five Committees namely as per the companies Act 2013:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Risk Management Committee
4. Asset Liability Management Committee
5. Corporate Social Responsibility Committee

A. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting progress with a view to ensuring accurate timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out by the management, internal auditors on the financial reporting process and the safeguards employed by them.

Brief description of the terms of reference:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position.
- Recommending the appointment, re-appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing the financial statements and draft audit report, including quarterly/half-yearly financial information,
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:

Any changes in accounting policies and practices;

- ❖ Major accounting entries based on exercise of judgement by management;
- ❖ Qualifications In draft audit report;
- ❖ Significant adjustments arising out of audit,
- ❖ Compliance with accounting standard;
- ❖ Any related party transactions as per Accounting Standard 18.
- ❖ Reviewing the Company's financial and risk management policies.
- ❖ Disclosure of contingent liabilities.
- ❖ Reviewing with the management, external and internal auditors and the adequacy of

- ❖ internal control systems.
- ❖ Discussion with internal auditors of any significant findings and follow-up thereon.
- ❖ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- ❖ Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- ❖ Reviewing compliances as regards the Company's Whistle Blower Policy.
- ❖ Mandatory review of following information:
 - ❖ Management discussion and analysis of financial condition and results of operations;
 - ❖ Statement of significant related party transactions, submitted by management;
 - ❖ Management letters/letters of internal control weaknesses issued by Statutory Auditors and:
- ❖ Appointment, removal and terms of remuneration of Internal Auditor.

Meetings of the Committee

The Committee met 3 (Three) times on 13th April 2022, 08th August 2022, 11th February 2023 during the financial year ended 31st March, 2023.

The Minutes of the Meetings of the Audit Committee are discussed and taken note by the board of directors: The Statutory Auditor, Internal Auditor and Executive Directors/Chief Financial Officer are Invited to the meeting as and when required.

The Composition of the Audit Committee and Their Attendance at the Meeting:

Name of Member	Designation	Number of Meeting	
		Held	Attended
Mr. Arun Kumar	Chairperson	5	5
Mr. Ghanshyam Singh Chauhan	Member	5	5
Mr. Gajendra Singh	Member	5	5
Mr. Bhupendra Singh	Member	5	5

Powers of Audit Committee:

The audit committee shall have the following powers, which includes the following:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Review of Information by Audit committee:

The Audit Committee shall mandatorily review the following information:

- Management Discussion and analysis of financial condition and results of operations;
- Statement of related party transactions [As defined by Audit Committee), submitted by Management;
- Management letters/letters of internal control weakness issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.

B. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee comprises three members out of which two including Chairman of the Committee are Independent Director. During the Year no change in the management hence meetings of Nomination & Remuneration Committee Meetings were convened.

The Composition of the Nomination & Remuneration Committee and Their Attendance at the Meeting:

Name of Member	Designation	Number of Meeting	
		Held	Attended
Mr. Arun Kumar	Chairperson	5	5
Mr. Ghanshyam Singh Chauhan	Member	5	5
Mr. Sanjeev kumar	Member	5	5

C. RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprises four Director out of which one is independent Director. During the Year One (1) Risk Management committee meetings were convened and held.

The Composition of the Risk Management Committee and Their Attendance at the Meeting:

Name of Member	Designation	Number of Meeting	
		Held	Attended
Mr. Arun Kumar	Chairperson	5	5
Mr. Ghanshyam	Member	5	5

Singh Chauhan			
Mr. Gajendra Singh	Member	5	5
Mr. Bhupendra Singh	Member	5	5

d. ASSET LIABILITY MANAGEMENT COMMITTEE:

The Asset Liability Management Committee of the Board was comprising of three members. During the Year three (3) Asset Liability Management Committee Meetings were convened and held.

The Composition of the Asset Liability Management Committee: and Their Attendance at the Meeting:

Name of Member	Designation	Number of Meeting	
		Held	Attended
Mr. Arun Kumar	Chairperson	5	5
Mr. Sanjeev Kumar	Member	5	5
Mr. Ghanshyam Singh Chauhan	Member	5	5

e. Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee of the Board was comprising of three members. During the Year three (3) Asset Liability Management Committee Meetings were convened and held.

The Composition of the Corporate Social Responsibility Committee and Their Attendance at the Meeting:

Name of Member	Designation	Number of Meeting	
		Held	Attended
Mr. Arun Kumar	Chairperson	2	2
Mr. Gajendra Singh	Member	2	2
Mr. G.S. Chauhan	Member	2	2

SHARE HOLDERS MEETING:

GENERAL MEETING OF MEMBERS HELD DURING THE FINANCIAL YEAR 2023-2024 AS MENTIONED BELOW:

DATE	NAME OF MEETING	VENUE	MEMBERS PRESENT
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30.09.2023	Annual General Meeting	Dhara Complex Civil Line 1, Bijnor, Uttar Pradesh, India, 246701	30.09.2023
06.04.2023	Extra-ordinary General Meeting	Dhara Complex Civil Line 1, Bijnor, Uttar Pradesh, India, 246701	06.04.2023
14.08.2023	Extra-ordinary General Meeting	Dhara Complex Civil Line 1, Bijnor, Uttar Pradesh, India, 246701	14.08.2023
26.09.2023	Extra-ordinary General Meeting	Dhara Complex Civil Line 1, Bijnor, Uttar Pradesh, India, 246701	26.09.2023
26.12.2023	Extra-ordinary General Meeting	Dhara Complex Civil Line 1, Bijnor, Uttar Pradesh, India, 246701	26.12.2023

SUBSIDIARY/ ASSOCIATE/ JOINT VENTURE COMPANY

The Company does not have any subsidiary/ Associate/ Joint Venture company.

APPOINTMENT/REAPPOINTMENT OF DIRECTOR

According to the Companies Act, 2013, at least two third of the Board should consist of retiring directors. Of these, one third is required to retire every year and, If eligible, may seek re- appointment by the shareholders.

a) FINANCIAL YEAR

1 April 2022 to 31 March 2023.

b) DIVIDEND

No dividend is proposed to be declared in AGM or declared in last AGM.

c) REGISTRAR

Dhara Motor Finance Limited has already appointed Maashitla Securities private Limited as Registrar and Transfer agent.

d) REGISTERED OFFICE

Dhara Complex, Civil Line-1, Bijnor, Uttar Fradesh-246701

e) Corporate Office

During the period under review, the company has also intimated the Registrar of Companies about the Corporate office i.e. K-514gf Neratan Building Mata Chowk, Vasant Kurij Road Mahipalpur, Mahipalpur, South West Delhi, New Delhi, Delhi, India, 110037

f) SHAREHOLDING PATTERN AS ON 31st MARCH, 2024

S. No.	CATEGORY	NO. OF SHARES	AMOUNT	% of Shareholding
1	Promoters	8095700	80957000	51.56%
2	Other than promoters	966300	9663000	6.15%
3	Body Corporate	1115000	11150000	7.10%
4	Chaudhary Financiers	5523000	55230000	35.18%
	Total	15766000	157000000	100%

g) ADR/GDR

The Company has not issued any ADR or GDR in any previous year as company presently is domestic trading.

OTHER DISCLOSURES

A. RELATED PARTY TRANSACTIONS

There have been no materially significant related party transactions with the company's promoters, directors, management or their relatives which may have a potential conflict with the interests of the Company. Members may refer to disclosures of transactions with related parties i.e. Promoters, Directors, Relatives or Management made in the Balance sheet in Notes to the Accounts. The policy is also given on the company's website under the head policies.

B. PENALTIES PAID BY COMPANY IN LAST THREE YEARS

Reserve Bank of India has levied a fine of Rs. 1,29,500 on 25th December 2022 on the Company and company has paid the said penalty on time. Therefore, there is no due pending on the part of the Company.

D. VIGIL MECHANISM/WHISTLE BLOWER POLICY

In pursuant to the provision of Section 177(9) & (10) of the Companies Act, 2013, The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for directors and employees of the Company to report concern about unethical behavior, actual or suspected fraud or violation of the Company's code of Conduct or ethics policy, The whistle Blower Policy is available on the website of the company www.dharamotoerfinance.com.

E. COMPLIANCE WITH REGULATIONS

The Company has complied fully with the requirements of the regulatory authorities on capital markets. There have been no Instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty been imposed on the Company by the stock exchanges, SEBI or any other statutory authority.

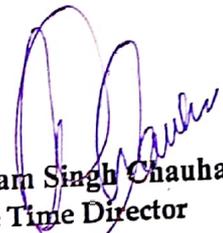
F. ACCOUNTING STANDARDS

The Company has followed the Accounting Standards laid down by the Companies Act, 2013.

For Dhara Motor Finance Limited


Gajendra Singh
Managing Director
DIN: 00513170




Ghanshyam Singh Chauhan
Whole Time Director
DIN: 03508533

Date: 30.09.2024
Place: Bijnor

Annexure I

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis: Not applicable

Details of material contracts or arrangement or transactions at arm's length basis:

	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (Lakhs)	Amount paid as advances, if any
1.	Uma Rani	Rent Paid	01.04.2023 to 31.03.2024	Rs. 14.30	NA
	Uma Rani	Interest Paid	01.04.2023 to 31.03.2024	Rs	NA

2.	Bijnor Builder's & Promoters Private Limited	Rent Paid	01.04.2023 to 31.03.2024	Rs. 12.00	NA
3.	Aayushi Chaudhary	Interest Paid	01.04.2023 to 31.03.2024	Rs. 2.44	NA
4.	Anju Rana	Interest Paid	01.04.2023 to 31.03.2024	Rs. 2.51	NA
5.	Avinash Kumar	Interest Paid	01.04.2023 to 31.03.2024	Rs. 0.59	NA
6.	Dipty Chaudhary	Interest Paid	01.04.2023 to 31.03.2024	Rs. 1.44	NA
7.	Gajendra Singh	Interest Paid	01.04.2023 to 31.03.2024	Rs. 0.03	NA
8.	Geeta W/o Bhupendra Singh	Interest Paid	01.04.2023 to 31.03.2024	Rs. 1.45	NA
9.	Hari Raj Singh Rana	Interest Paid	01.04.2023 to 31.03.2024	Rs. 6.57	NA
10.	Ishu raj Rana	Interest Paid	01.04.2023 to 31.03.2024	Rs. 4.34	NA
11.	Kamelesh Chauhan	Interest Paid	01.04.2023 to 31.03.2024	Rs. 1.09	NA
12.	Mithlesh Rana	Interest Paid	01.04.2023 to 31.03.2024	-	NA
13.	Narendra Singh	Interest Paid	01.04.2023 to 31.03.2024	Rs. 0.05	NA
14.	Priyanka Chauhan	Interest Paid	01.04.2023 to 31.03.2024	-	NA
15.	Rahul Rana	Interest Paid	01.04.2023 to 31.03.2024	Rs. 2.01	NA

16.	Rajni Chauhan	Interest Paid	01.04.2023 to 31.03.2024	Rs. 2.46	NA
17.	Ravi raj Singh Rana	Interest Paid	01.04.2023 to 31.03.2024	Rs. 9.63	NA
18.	Mithlesh & Shubham Rana	Interest Paid	01.04.2023 to 31.03.2024	Rs. 3.01	NA
19.	Shilpa Chaudhary	Interest Paid	01.04.2023 to 31.03.2024	-	NA
20.	Shiv raj Singh Rana	Interest Paid	01.04.2023 to 31.03.2024	Rs. 11.03	NA
21.	Shorya Chaudhan	Interest Paid	01.04.2023 to 31.03.2024	Rs. 0.16	NA
22.	Shrasti Chaudhary	Interest Paid	01.04.2023 to 31.03.2024	Rs. 0.69	NA
23.	Sixa Rana	Interest Paid	01.04.2023 to 31.03.2024	Rs. 5.01	NA
24.	Vansh Chauhdary	Interest Paid	01.04.2023 to 31.03.2024	Rs. 1.23	NA

For Dhara Motor Finance Limited


Gajendra Singh
 Managing Director
 DIN: 00513170




Ghanshyam Singh Chauhan
 Whole Time Director
 DIN: 03508533

Date: 30.09.2024
 Place: Bijnor