January 5, 2023

BSE Limited
P.J. Towers
Dalal Street
Mumbai – 400 001

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Scheme of Arrangement amongst Exclusive Leasing and Finance Private Limited ("Demerged Company") and TruCap Finance Limited ("Resulting Company") and their respective shareholders and creditors under Sections 230 to 232 read with Section 66, 52 and other applicable provisions of the Companies Act, 2013 ("Scheme") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

The financial details of the Transferor Company for the previous 3 years as per the audited statement of Accounts and limited review for the quarter ending September 30, 2022 as per the unaudited financial statements:

Name of the Company: TruCap Finance Limited (Standalone Basis)

(Rs in Lakhs)

Particulars	For the Period ended September 30, 2022	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	Unaudited	**2021-22**	**2020-21**	**2019-20**
Equity Paid up Capital	2163.45	1776.78	1529.24	1350.78
Reserves and surplus	19288.88	15617.34	8407.01	1768.34
Carry forward losses	Nil	Nil	Nil	Nil
Net Worth	21452.33	17394.34	9936.25	3119.12
Miscellaneous Expenditure	Nil	Nil	Nil	Nil
Secured Loans	32902.5	28343.19	7879.51	390.79
Unsecured Loans	295.12	304.47	173.32	1169.96
Fixed Assets	3305.91	2882.66	1174.27	293.31
Income from Operations	5617.89	6981.58	2395.12	1910.04
Total Income	5661.47	7005.65	2441.98	1929.52
Total Expenditure	5187.41	5937.96	2268.47	1371.46
Profit before Tax	474.07	1067.69	173.51	409.89
Profit after Tax	379.72	737.21	68.45	408.69
Cash profit	0.36	0.95	0.09	0.61
EPS (INR/share)	2.00	2.00	2.00	2.00
Book value (INR/share)	2163.45	1776.78	1529.24	1350.78

Name of the Company: TruCap Finance Limited (Consolidated Basis)

(Rs in Lakhs)

Particulars	For the Period ended September 30, 2022	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	Unaudited	2021-22	2020-21	2019-20
Equity Paid up Capital	2,163.45	1776.78	1529.24	1350.78
Reserves and surplus	18,648.72	15430.90	8462.13	1764.53
Carry forward losses	Nil	Nil	Nil	Nil
Net Worth	20,812.17	17207.68	9991.37	3115.31
Miscellaneous Expenditure	Nil	Nil	Nil	Nil
Secured Loans	32,902.5	28342.91	7879.51	390.79
Unsecured Loans	295.12	304.47	173.32	1169.96
Fixed Assets	5,248.48	4489.71	1211.97	369.62
Income from Operations	5,589.55	7574.13	2961.36	1910.57
Total Income	5,640.19	7598.20	3006.41	1929.38
Total Expenditure	5,529.22	6879.36	2728.19	1375.08
Profit before Tax	110.97	718.84	278.22	406.10
Profit after Tax	11.63	398.48	130.10	404.90
Cash profit	0.01	0.52	0.18	0.60
EPS (INR/share)	2.00	2.00	2.00	2.00
Book value (INR/share)	2,163.45	1776.78	1529.24	1350.78

Notes:

1. The net worth has been computed as per section 2(57) of the Companies Act, 2013
2. Income from operations represents turnover / revenue from operation.
3. Profit before tax and profit after tax do not include other comprehensive income
4. Book value per share has been computed by dividing total equity by the total number of equity shares of the Company

Thanking You

Yours Truly,
For TruCap Finance Limited

Sonal Sharma

Digitally signed by Sonal Sharma
Date: 2023.01.05 18:11:19 +05'30'

Sonal Sharma
Company Secretary & Compliance Officer
Mumbai, January 5, 2023

Bansal Bansal & Co.
Chartered Accountants

Limited Review Report on Unaudited Quarterly and Year to Date Standalone Financial Results of TruCap Finance Limited (Formerly Dhanvarsha Finvest Limited) Pursuant to the Regulation 33 and Regulation 52 and Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

TO THE BOARD OF DIRECTORS
TruCap Finance Limited
(Formerly Dhanvarsha Finvest Limited)

1. We have reviewed the accompanying statement of unaudited standalone financial results of **TRUCAP FINANCE LIMITED. (FORMERLY – DHANVARSHA FINVEST LIMITED)** ("the Company") for the quarter ended **30 September 2022** and year-to-date results for the period from **01 April 2022 to 30 September 2022** together with notes thereon ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33, Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), as amended.

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted and procedures performed as stated in paragraph 3, nothing has come to our attention that causes us to believe that the accompanying unaudited standalone financial results, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation 33, Regulation 52 and Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material

Mumbai

misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For Bansal Bansal & Co.
Chartered Accountants
FRN: 100986W

Jatin Bansal
Partner
Membership No.: 135399
UDIN: 22135399BDBNUQ9115

Place : Mumbai
Dated : 14th November, 2022

TruCap Finance Limited
(Formerly Dhanvarsha Finvest Limited)

Registered office:- 3rd Floor, A Wing, D J House, Old Nagardas Road, Andheri (East), Mumbai - 400069, Maharashtra.
Tel:- +91 22 6845 7200, Email ID:- contact@dfltd.in, Website:- www.trucapfinance.com
CIN:- L24231MH1994PLC334457

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

(Rs. in Lakhs)

	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2022 (Unaudited)	30.06.2022 (Unaudited)	30.09.2021 (Unaudited)	30.09.2022 (Unaudited)	30.09.2021 (Unaudited)	31.03.2022 (Audited)
	Revenue from operations						
i	Interest Income	2470.71	2197.25	1156.11	4667.96	1774.29	4546.75
ii	Fees and commission income	559.45	352.66	357.82	912.12	717.49	2270.16
iii	Net gain on fair value changes	14.63	23.18	(16.52)	37.81	146.15	164.67
I	Total Revenue from operations	3044.79	2573.09	1497.41	5617.89	2637.93	6981.58
II	Other Income	7.79	35.79	6.33	43.58	7.39	24.07
III	Total Income (I+II)	3052.58	2608.88	1503.74	5661.47	2645.32	7005.65
	Expenses						
i	Finance costs	1217.35	999.44	514.77	2216.79	865.74	2435.24
ii	Fees and commission expense	31.62	30.22	19.41	61.84	36.26	72.41
iii	Impairment on financial instruments	31.09	35.40	1.71	66.49	32.13	130.23
iv	Employee benefits expenses	679.50	572.88	355.85	1252.38	653.82	1392.28
v	Depreciation, amortization and impairment	119.09	137.36	91.73	256.45	164.93	408.00
vi	Other expenses	750.90	382.56	260.67	1133.46	457.56	1499.80
IV	Total Expenses	2829.55	2357.86	1244.14	5187.41	2210.44	5937.96
V	Profit before Exceptional item and tax (III - IV)	223.03	251.02	259.60	474.07	434.88	1067.69
VI	Exceptional items	-	-	-	-	-	-
VII	Profit before tax (V + VI)	223.03	251.02	259.60	474.07	434.88	1067.69
VIII	Tax expense:						
i	Current tax	16.22	40.28	95.60	56.50	129.50	285.25
ii	Deferred tax	12.47	25.39	(26.22)	37.85	111.66	45.23
iii	Tax adjustment for earlier years	-	-	-	-	-	-
	Total Tax Expense	28.69	65.67	69.38	94.35	241.16	330.48
IX	Profit for the period/year after tax (VII - VIII)	194.34	185.35	190.22	379.72	193.71	737.21
X	Other Comprehensive Income						
i	Items that will not be reclassified to profit or loss						
	Remeasurement gain/(loss) on defined benefit plan	3.75	(1.67)	0.49	2.08	0.98	(6.66)
ii	Income tax relating to items that will not be reclassified to profit or loss	(1.04)	0.46	(0.13)	(0.58)	(0.27)	1.85
	Other comprehensive income	2.71	(1.21)	0.36	1.49	0.71	(4.81)
XI	Total Comprehensive Income for the period/year (IX + X)	197.05	184.14	190.58	381.22	194.42	732.40
XII	Paid up equity share capital (face value of Rs. 2/- per share)	2163.45	2137.83	1533.29	2163.45	1533.29	1776.78
XIII	Other Equity	19288.88	18960.74	14830.64	19288.88	14830.64	15617.34
XIV	Earnings per equity share (Not annualised for the interim periods)						
	Basic (Rs.)	0.18	0.18	0.25	0.36	0.25	0.95
	Diluted (Rs.)	0.18	0.18	0.21	0.36	0.21	0.86

TruCap Finance Limited

Notes:

1. STANDALONE STATEMENT OF ASSETS AND LIABILITIES:

(Rs. in Lakhs)

	Particulars	As At 30.09.2023 (Unaudited)	As At 31.03.2023 (Audited)
I	ASSETS		
	1 Financials Assets		
	(a) Cash and cash equivalents	3,248.96	5,736.78
	(b) Bank balances other than (a) above	2,186.50	2,014.03
	(c) Receivable		
	Trade Receivable	1,006.93	1,228.63
	Other Receivable	-	46.96
	(d) Loans	36,081.26	28,905.66
	(e) Investments	5,280.65	5,089.47
	(f) Other financials assets	3,546.63	569.95
	Total Financial Assets	51,350.93	43,623.48
	2 Non Financials Assets		
	(a) Current tax assets (net)	276.18	173.19
	(b) Deferred tax assets (net)	34.14	72.57
	(c) Property, plant and equipment	1,191.76	737.84
	(d) Right of use assets	735.43	637.38
	(e) Intangible assets under development	1,061.10	925.84
	(f) Capital Work in Progress	-	194.23
	(g) Other intangible assets	317.62	386.37
	(h) Other non-financials assets	1,212.46	466.94
	Total Non-Financials Assets	4,828.69	3,595.36
	TOTAL ASSETS	56,179.62	47,218.84
II	LIABILITIES AND EQUITY		
	LIABILITIES		
	1 Financial Liabilities		
	(a) Payables		
	-Trade payables		
	i) total outstanding dues of micro enterprises and small enterprises	77.36	35.23
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	338.27	332.70
	-Other payables		
	i) total outstanding dues of micro enterprises and small enterprises	42.43	51.97
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	48.00	118.03
	(b) Debt Securities	2,205.50	3,021.46
	(c) Borrowings (Other than Debt Securities)	30,992.12	24,828.19
	(d) Other financial liabilities	137.79	218.72
	Total Financial Liabilities	33,881.40	29,354.29
	2 Non-Financial Liabilities		
	(a) Current tax liabilities(net)	35.85	35.85
	(b) Provisions	63.59	95.25
	(c) Other non-financial liabilities	745.45	338.33
	Total Non-Financial Liabilities	845.89	470.43
	3 EQUITY		
	(a) Equity Share capital	2,163.45	1,776.78
	(b) Other Equity	19,288.88	15,617.34
	Total Equity	21,452.33	17,394.12
	TOTAL LIABILITIES AND EQUITY	56,179.62	47,218.84

TruCap Finance Limited

Notes:

2. STANDALONE STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

	Particulars	Year Ended 30.09.2022 (Unaudited)	Year Ended 31.03.2022 (Audited)
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit Before Taxes	474.08	1,067.69
	Adjustment for:		
	Interest Income from Fixed Deposits	(57.10)	(98.75)
	Profit on sale of property, plant and equipment	-	-
	Profit on sale of investment property	-	-
	Depreciation / Amortisation	256.45	408.00
	Impairment on financial instruments	66.49	130.23
	Realised gain on investments	(36.22)	(184.15)
	Unrealised gain on investments	(1.39)	(2.51)
	Fee income Recognition per EIR	(111.13)	(117.13)
	Employee share based payment expenses	48.13	(32.45)
	Cash outflow towards finance cost	(2,316.79)	(2,435.24)
	Operating (loss)/ profit before working capital changes	(1,578.71)	(1,227.31)
	Movement in working capital		
	(Increase)/decrease in Loans	(7,129.96)	(18,953.58)
	(Increase)/Decrease in other financial assets	(2,939.29)	1,322.70
	(Increase)/Decrease in other assets	(650.59)	37.73
	(Increase)/Decrease in Trade Receivable	268.67	(1,038.35)
	Increase/(Decrease) in Other payables	58.08	260.05
	Increase/(Decrease) in Other Financial liabilities	1,781.94	1,293.98
	Increase/(Decrease) in Other liabilities	407.11	228.20
	Increase/(Decrease) in provisions	(31.66)	46.21
	Cash generated from operations	(9,814.41)	(17,810.26)
	Income taxes paid	(159.50)	(283.94)
	Net cash from/(utilised in) operating activities	(9,973.91)	(18,094.21)
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Property, plant and equipment and Intangible Assets	(679.69)	(2,116.38)
	Proceeds from sale of Property, plant and equipment and Intangible Assets	-	-
	Purchase of investment at fair value through profit and loss account	(14,114.29)	(20,512.28)
	Proceeds from sale of investment at fair value through profit and loss account	14,614.27	17,242.00
	Investment in equity shares of the subsidiary	(690.00)	(1,800.10)
	Investment in Fixed Deposits	(1,129.21)	(4,984.50)
	Proceeds from sale of Fixed Deposits	966.00	4,460.00
	Interest Income from Fixed Deposits	57.10	98.75
	Net cash from/(utilised in) investing activities	(975.82)	(7,612.51)
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from issue of share capital and share warrants including share premium	3,515.46	192.69
	Debt securities issued	-	9,502.89
	Debt securities repaid	(1,500.00)	-
	Borrowings other than debt securities issued	12,722.70	23,622.70
	Proceeds from / (repayment of) borrowings	(6,186.80)	(4,949.33)
	Payment of Lease Liability	(100.66)	(111.88)
	Dividends paid including dividend distribution tax	(10.79)	(14.34)
	Net Cash from financing activities	8,439.91	28,322.73
	NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(2,509.82)	2,616.01
	Cash and cash equivalents at the beginning of the financial year	5,758.78	3,142.77
	Cash and cash equivalents at end of the period/year	3,248.96	5,758.78

Notes:

3 Fee and commission income majorly includes commission from syndication loan.

4 The above results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on November 14, 2022.

5 The Standalone Financial results for the quarter and half year ended September 30, 2022 have been limited reviewed by the Statutory Auditors.

6 The name of Company has been changed from Dhanvarsha Finvest Limited to TruCap Finance Limited with effect from August 3, 2022 vide certificate of incorporation pursuant to change in name issued by Registrar of Companies, Mumbai.

7 The Board of the Company has changed the registered office address of the Company from 2nd Floor, Building No. 4, DJ House, Old Nagardas Road, Andheri East, Mumbai 400069 to 3rd Floor, A Wing, D.J. House, Old Nagardas Road, Andheri East, Mumbai - 400069 with effect from May 31, 2022.

8 The Company has primarily two reportable business segments namely Fund based Activities and Advisory services for the quarter and half year ended September 30, 2022. The Company publishes unaudited standalone financial results along with the unaudited consolidated financial results and in accordance with Ind AS 108 - Operating Segments, the Company has disclosed the segment information in the unaudited consolidated financial results of the Company.

9 During the quarter ended September 30, 2022, 1,77,028 equity shares were alloted to non-promoters upon exercise of Compulsory Convertible Debentures (CCDs) held by them. Further, during the quarter ended September 30, 2022, 7,10,310 equity shares were alloted upon exercise of ESOPs granted under Dhanvarsha ESOP Plan - 2018.

10 The Listed, Secured, Non-Convertible Debentures (NCCs) (ISIN: INE615R07026) of the Company aggregating to Rs. 15 Crore (principal value) were due for maturity on June 11, 2023. However, during the quarter ended September 30, 2022, the Company has exercised call option for redemption and repayment of principal and outstanding interest on September 9, 2022 as per the terms and conditions of issue stated in the Information Memorandum dated June 11, 2021. Further, the Company has made timely payment towards principal and interest of the aforesaid NCDs in full on September 9, 2022.

11 The Listed, Secured, Non-Convertible Debentures (NCDs) of the Company aggregating to Rs. 15 Crore (principal value and outstanding interest) are secured by corporate guarantee of Wilson holdings Pvt Ltd, holding company and first and exclusive charge basis by way of hypothecation over the receivables of the Company and the the Company has maintained at all times the asset cover at 1.25 (One decimal point two five) times as mentioned in the offer/date document. These NCDs were allotted on September 02, 2021 respectively and listed on BSE Limited.

12 Disclosures as required under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 is enclosed as *Annexure I*.

13 As on September 30, 2022 the security cover available in respect of outstanding secured non-convertible debt securities is 1.29 times. The security cover certificate issued by the Statutory Auditors of the Comapny in compliance with the Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and SEBI Circular no. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 issued on May 19, 2022 is attached as Annexure II.

14 The figures for the previous period/year have been regrouped / rearranged wherever necessary to make them comparable with those of current period.

For and on behalf of the Board of TruCap Finance Limited

Rohanjeet Singh Juneja
Managing Director and
Chief Executive Officer
DIN: 08342094

TruCap Finance Limited

Mumbai, November 14, 2022

Annexure I

Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the quarter and half year ened Sept 30, 2022

Sr. No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
1	Debt-Equity Ratio (times)	1.55	1.48	1.10	1.55	1.10	1.65
2	Debt Service Coverage Ratio (Note: c)	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
3	Interest Service Coverage Ratio (Note: c)	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
4	Outstanding Redeemable Preference Shares (Quantity)	Nil	Nil	Nil	Nil	Nil	Nil
5	Outstanding Redeemable Preference Shares (Rs in Lakhs)	Nil	Nil	Nil	Nil	Nil	Nil
6	Capital Redemption Reserve (Rs in Lakhs)	Nil	Nil	Nil	Nil	Nil	Nil
7	Debenture Redemption Reserve (Rs in Lakhs) (Note: c)	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
8	Net Worth (Rs in Lakhs)	21,452.32	21,098.57	16,363.93	21,452.32	16,363.93	17,394.12
9	Net Profit After Tax (Rs in Lakhs)	194.34	185.35	190.22	379.72	193.71	737.21
10	Earnings Per Share (In Rs) (Not Annualised)						
	- Basic (Rs.)	0.18	0.18	0.25	0.36	0.25	0.95
	- Diluted (Rs.)	0.18	0.18	0.18	0.18	0.18	0.80
11	Current Ratio (Note: c)	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
12	Long Term Debt To Working Capital (Note: c)	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
13	Bad Debts To Account Receivable Ratio (Note: c)	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
14	Current Liability Ratio (Note: c)	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
15	Total Debts To Total Assets	0.59	0.58	0.51	0.59	0.51	0.61
16	Debtors Turnover (Note: c)	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
17	Inventory Turnover (Note: c)	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
18	Operating Margin (%) (Note: c)	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
19	Net Profit Margin (%)	6.27	7.10	12.65	6.71	7.32	10.52
20	Sector Specific Equivalent Ratios: i.e. GNPA And NNPA						
	- GNPA %	2.79	3.50	2.92	2.79	2.92	3.14
	- NNPA %	1.76	2.19	1.38	1.76	1.38	2.10
	- Overall Provision Coverage Ratio %	37.01	40.57	71.93	37.01	71.93	50.67

Notes:

a Debt Equity ratio = Total Borrowings/Total Equity

b Net worth means share capital plus reserves less miscellaneous expenditure to the extent not written off.

c The Company is registered with the Reserve Bank of India as Non-Banking Financial Company, hence these ratio are generally not applicable.

d Total Debts to total assets = Total Borrowings/Total Assets

e Net profit margin = Net profit after Tax/Total Income

f Overall Provision coverage = Total ECL Provision (including Interest)/Gross Non Performing Advances(GNPA)

TruCap Finance Limited

Annexure II

Security Cover Certificate in compliance with Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and SEBI Circular no. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 issued on May 19, 2022

(Rs. In Lakhs)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to J)	Debt not backed by any assets offered as security (applicable only for liability side)		Related to only those items covered by this certificate			
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)			Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable	Total Value(=L+M+ N+O)
												Relating to Column F			
		Book Value	Book Value	Yes/ No	Book Value	Book Value									
ASSETS															
Property,Plant and Equipment							1,191.76			1,191.76					-
Capital Work-in- Progress							-			-					-
Right of Use Assets							735.43			735.43					-
Goodwill							-			-					-
Intangible Assets							317.62			317.62					-
Intangible Assets under Development							1,387.37			1,387.37					-
Investments							5,280.65			5,280.65					-
Loans	Loans/ Advances given (net of provisions, NPAs and Sell down portfolio)	2,787.20	21,016.03						2,258.03	26,061.26		2,787.20			2,787.20
Inventories							-			-					-
Trade Receivables							1,006.93			1,006.93					-
Cash and Cash Equivalents							3,248.56			3,248.56					-
Bank Balances other than Cash and Cash Equivalents							2,186.30			2,186.30					-
Others							5,069.40			5,069.40					-
Total		2,787.20	21,016.03	-	-	-	20,996.26	-	2,258.03	46,179.42	-	2,787.20	-	-	2,787.20
LIABILITIES															
Debt securities to which this certificate pertains		2,160.90	44.43	Yes			-			2,205.33					-
Other debt sharing pari-passu charge with above debt		not to be filled					-			-					-
Other Debt							-			-					-
Subordinated debt							-			-					-
Borrowings			20,741.60				-			20,741.60					-
Bank							-			-					-
Debt Securities							-			-					-
Others							-			-					-
Trade payables							545.99			545.99					-
Lease Liabilities							250.32			250.32					-
Provisions			-				62.29			62.29					-
Others							920.00			920.00					-
Total		2,160.90	20,786.03	-	-	-	1,780.18	-	-	24,727.38	-	-	-	-	-
Cover on Book Value															
Cover on Market Value															1.29
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio										

BANSAL BANSAL & CO. CHARTERED ACCOUNTANTS MUMBAI

TruCap Finance Limited

Bansal Bansal & Co.
Chartered Accountants

Limited Review Report on Unaudited Quarterly and Year to Date Consolidated Financial Results of TruCap Finance Limited (Formerly Dhanvarsha Finvest Limited) Pursuant to the Regulation 33, Regulation 52 and Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

TO THE BOARD OF DIRECTORS
TruCap Finance Limited
(Formerly Dhanvarsha Finvest Limited)

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **TRUCAP FINANCE LIMITED. (FORMERLY – DHANVARSHA FINVEST LIMITED)** ("the parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group") for the quarter ended **30 September 2022** and year-to-date results for the period from **01 April 2022 to 30 September 2022** together with notes thereon ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33, Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), as amended.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The statement includes the results of the following entity:

Sr. No.	Name of the Entity	Relationship
1.	TruCap Finance Limited (Formerly Dhanvarsha Finvest Limited)	Parent
2.	DFL Technologies Private Limited	Subsidiary Company

120, Building No.6, Mittal Industrial Estate, Andheri Kurla Road, Andheri East, Mumbai - 400 059
Tel.: +91 4222 4444 • E-mail : mail@bansalbansal.com

5. Based on our review conducted and procedures performed as stated in paragraph 3, nothing has come to our attention that causes us to believe that the accompanying unaudited Consolidated financial results, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation 33, Regulation 52 and Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

6. We reviewed the interim financial information of the subsidiary included in the consolidated unaudited financial results, whose financial information reflect **Total Assets of Rs. 2,910.12 lacs as at 30th September, 2022, Net Assets of Rs. 2,635.18 lacs as 30th September, 2022; Total Revenues of Rs. 11.27 lacs and Rs. 30.14 lacs, Total Net Loss after tax of Rs. 167.58 lacs and Rs. 368.05 lacs** for the quarter and half year ended 30th September, 2022, respectively, as considered in this Statement.

For Bansal Bansal & Co.
Chartered Accountants
FRN: 100986W

Jatin Bansal
Partner
Membership No.: 135399
UDIN: 22135399BDBOHL8906

Place : Mumbai
Dated : 14th November, 2022

TruCap Finance Limited
(Formerly Dhanvarsha Finvest Limited)
Registered office:- 3rd Floor, A Wing, D J House, Old Nagardas Road, Andheri (East), Mumbai - 400069, Maharashtra.
Tel:- +91 22 6845 7200, Email ID:- contact@dfltd.in, Website:- www.trucapfinance.com
CIN:- L24231MH1994PLC334457

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

(Rs. in Lakhs)

	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2022 (Unaudited)	30.06.2022 (Unaudited)	30.09.2021 (Unaudited)	30.09.2022 (Unaudited)	30.09.2021 (Unaudited)	31.03.2022 (Audited)
	Revenue from operations						
i	Interest income	2,468.46	2,194.45	1,151.05	4,662.91	1,766.80	4,536.31
ii	Fees and commission income	548.79	340.04	624.83	888.83	1,215.55	2,873.15
iii	Net gain on fair value changes	14.63	23.18	(16.52)	37.81	146.15	164.67
I	Total Revenue from operations	3,031.88	2,557.67	1,759.37	5,589.55	3,128.51	7,574.13
II	Other Income	5.83	44.81	6.33	50.64	7.39	24.07
III	Total Income (I+II)	3,037.71	2,602.48	1,765.70	5,640.19	3,135.90	7,598.20
	Expenses						
i	Finance costs	1,217.35	999.44	506.77	2,216.79	866.48	2,445.97
ii	Fees and commission expense	31.62	29.02	10.44	60.64	28.60	59.27
iii	Impairment on financial instruments	(46.02)	35.40	18.39	(10.62)	44.31	207.34
iv	Employee benefits expenses	770.89	634.17	547.80	1,405.06	1,000.02	1,853.86
v	Depreciation, amortization and impairment	208.03	166.18	102.70	374.21	183.76	474.69
vi	Other expenses	817.05	666.09	314.12	1,483.14	571.41	1,838.23
IV	Total Expenses	2,998.92	2,530.30	1,500.22	5,529.22	2,694.58	6,879.36
V	Profit before Exceptional item and tax (III - IV)	38.79	72.18	265.48	110.97	441.32	718.84
VI	Exceptional items	-	-	-			-
VII	Profit before tax (V + VI)	38.79	72.18	265.48	110.97	441.32	718.84
VIII	Tax expense:						
i	Current tax	16.22	40.28	115.60	56.50	161.36	285.25
ii	Deferred tax	(4.19)	47.03	(28.51)	42.84	104.86	35.11
iii	Tax adjustment for earlier years	-	-	-	-	-	-
	Total Tax Expense	12.03	87.31	87.09	99.34	266.22	320.36
IX	Profit for the period/year after tax (VII - VIII)	26.76	(15.13)	178.39	11.63	175.10	398.48
X	Other Comprehensive Income						
i	Items that will not be reclassified to profit or loss Remeasurement gain/(loss) on defined benefit plan	(0.40)	(1.67)	0.49	(2.08)	0.98	1.16
ii	Income tax relating to items that will not be reclassified to profit or loss	0.12	0.46	(0.13)	0.58	(0.27)	(0.18)
	Other comprehensive income	(0.30)	(1.21)	0.36	(1.50)	0.71	0.98
XI	Total Comprehensive Income for the period/year (IX + X)	27.46	(16.34)	178.75	10.13	175.81	399.46
XII	Paid up equity share capital (face value of Rs. 2/- per share)	2,163.45	2,137.83	1,533.29	2,163.45	1,533.29	1,776.78
XIII	Other Equity	18,648.72	18,488.14	14,963.80	18,648.72	14,963.80	15,430.90
XIV	Earnings per equity share (Not annualised for the interim periods)						
	Basic (Rs.)	0.03	(0.02)	0.22	0.01	0.22	0.52
	Diluted (Rs.)	0.03	(0.02)	0.19	0.01	0.20	0.45

TruCap Finance Limited

Notes:

1. CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES:

(Rs. in Lakhs)

	Particulars	As At 31.03.2023 (Unaudited)	As At 31.03.2022 (Audited)
I	ASSETS		
	1 Financials Assets		
	(a) Cash and cash equivalents	3,297.46	5,855.55
	(b) Bank balances other than (a) above	2,186.50	2,024.02
	(c) Receivable		
	Trade Receivable	1,068.61	1,599.91
	Other Receivable	-	46.96
	(d) Loans	36,041.26	28,817.20
	(e) Investments	2,005.31	2,509.37
	(f) Other financials assets	3,562.82	571.74
	Total Financial Assets	**48,458.96**	**41,499.76**
	2 Non Financials Assets		
	(a) Current tax assets (net)	349.48	246.43
	(b) Deferred tax assets (net)	40.51	33.93
	(c) Property, plant and equipment	1,274.53	899.60
	(d) Right of use assets	735.43	637.38
	(e) Intangible assets under development	2,624.52	194.23
	(f) Capital Work in Progress	-	2,232.37
	(g) Other intangible assets	614.00	720.36
	(h) Other non-financials assets	1,468.56	653.11
	Total Non-Financials Assets	**7,107.03**	**5,667.41**
	TOTAL ASSETS	55,565.99	47,167.17
II	LIABILITIES AND EQUITY		
	LIABILITIES		
	1 Financial Liabilities		
	(a) Payables		
	-Trade payables		
	i) total outstanding dues of micro enterprises and small enterprises	30.09	133.34
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	398.12	242.86
	-Other payables		
	i) total outstanding dues of micro enterprises and small enterprises	42.43	37.79
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	76.94	169.19
	(b) Debt Securities	2,205.50	1,821.46
	(c) Borrowings (Other than Debt Securities)	30,992.12	26,826.19
	(d) Other financial liabilities	136.77	217.38
	Total Financial Liabilities	**33,881.97**	**29,448.18**
	2 Non-Financial Liabilities		
	(a) Current tax liabilities(Net)	36.85	36.86
	(b) Provisions	86.86	111.00
	(c) Other non financial liabilities	748.14	363.45
	Total Non-Financial Liabilities	**871.85**	**511.31**
	3 EQUITY		
	(a) Equity Share capital	2,163.45	1,776.78
	(b) Other Equity	18,648.72	15,430.90
	Total Equity	**20,812.17**	**17,207.68**
	TOTAL LIABILITIES AND EQUITY	55,565.99	47,167.17

TruCap Finance Limited

Notes:

2. CONSOLIDATED STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

	Particulars	Half Year Ended 30.09.2022 (Unaudited)	Year Ended 31.03.2022 (Audited)
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit Before Taxes	110.98	718.84
	Adjustment for:		
	Interest Income from Fixed Deposits	(57.10)	(99.64)
	Profit on sale of property, plant and equipment	-	(0.01)
	Profit on sale of investment property	-	-
	Depreciation / Amortisation	374.21	474.89
	Impairment on financial instruments	(10.62)	200.48
	Realised gain on investments	(36.22)	(164.15)
	Unrealised gain on investments	(1.39)	(0.51)
	Fee income Recognition per EIR	(112.13)	(112.13)
	Employee share based payment expenses	47.70	(22.45)
	Cash outflow towards finance cost	(2,216.79)	(2,435.44)
	Operating (loss)/ profit before working capital changes	(1,901.36)	(1,440.12)
	Movement in working capital		
	(Increase)/decrease in Loans	(7,079.96)	(18,951.58)
	(Increase)/Decrease in other financial assets	(2,944.75)	1,624.04
	(Increase)/Decrease in other assets	(732.31)	(142.42)
	(Increase)/Decrease in Trade Receivable	266.54	(1,106.42)
	Increase/(Decrease) in Other payables	57.07	376.21
	Increase/(Decrease) in Other Financial liabilities	1,784.22	1,300.82
	Increase/(Decrease) in Other liabilities	381.22	194.99
	Increase/(Decrease) in provisions	(24.14)	42.25
	Cash generated from operations	(10,193.57)	(18,088.22)
	Income taxes paid	(159.55)	(381.49)
	Net cash from/(utilised in) operating activities	(10,353.12)	(18,469.72)
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Property, plant and equipment and Intangible Assets	(928.74)	(3,614.93)
	Proceeds from sale of Property, plant and equipment and Intangible Assets	-	5.08
	Purchase of investment at fair value through profit and loss account	(14,114.29)	(20,513.25)
	Proceeds from sale of investment at fair value through profit and loss account	14,614.27	17,242.01
	Investment in equity shares of the subsidiary	(1,380.00)	-
	Investment in Fixed Deposits	(1,129.21)	(5,234.50)
	Proceeds from sale of Fixed Deposits	966.00	4,710.00
	Interest income from Fixed Deposits	57.10	99.64
	Net cash from/(utilised in) investing activities	(1,924.88)	(7,309.99)
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from issue of share capital and share warrants including share premium	4,895.46	192.69
	Debt securities issued	-	9,582.89
	Debt securities repaid	(1,500.00)	-
	Borrowings other than debt securities issued	12,722.70	23,962.70
	Proceeds from / (repayment of) borrowings	(6,286.80)	(5,199.33)
	Payment of Lease Liability	(100.66)	(111.88)
	Dividends paid including dividend distribution tax	(10.80)	(14.34)
	Net Cash from financing activities	9,719.91	28,412.73
	NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(2,558.09)	2,633.02
	Cash and cash equivalents at the beginning of the financial year	5,855.55	3,222.53
	Cash and cash equivalents at end of the period/year	3,297.46	5,855.55

TruCap Finance Limited

Notes:

3 SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2022 (Unaudited)	30.06.2022 (Unaudited)	30.09.2021 (Unaudited)	30.09.2022 (Unaudited)	30.09.2021 (Unaudited)	31.03.2022 (Audited)
I	Segment Revenue						
	- Fund Based Activities	2,448.27	2,113.27	1,413.98	4,561.54	2,431.13	5,927.60
	- Advisory Services	565.99	420.00	360.50	985.99	712.50	1,637.89
	Total Segment Revenue	3,014.26	2,533.27	1,774.48	5,547.53	3,143.63	7,565.48
	Less : Inter Segment Revenue	-	-	-	-	-	-
	Revenue from Operations	3,014.26	2,533.27	1,774.48	5,547.53	3,143.63	7,565.48
II	Segment Results						
	Profit before Tax from each segment :						
	- Fund Based Activities	(91.03)	(39.50)	232.94	(130.53)	288.35	405.94
	- Advisory Services	148.79	75.36	79.48	224.15	218.01	435.74
	Total Segment Results	57.76	35.86	312.42	93.62	506.36	841.68
	Unallocable Income/(Expenditure) - net	(18.97)	36.32	(46.94)	17.35	(65.04)	(122.84)
	Profit before Tax	38.79	72.18	265.48	110.97	441.32	718.84
	Less: Taxes	12.03	87.31	87.09	99.34	266.22	320.36
	Profit after Tax	26.76	(15.13)	178.39	11.63	175.10	398.48
III	Capital Employed						
	Segment Assets						
	- Fund Based Activities	49,043.92	44,721.95	30,027.88	49,043.92	30,027.88	38,099.00
	- Advisory Services	648.12	586.92	690.12	648.12	690.12	859.23
	- Unallocated	5,873.95	7,778.77	5,002.36	5,873.95	5,002.36	8,208.94
	Total Segment Assets	55,565.99	53,087.64	35,720.37	55,565.99	35,720.37	47,167.17
	Segment Liabilities						
	- Fund Based Activities	34,298.95	32,073.63	18,832.18	34,298.95	18,832.18	29,515.86
	- Advisory Services	418.04	340.91	329.17	418.04	329.17	406.78
	- Unallocated	36.84	36.84	61.93	36.84	61.93	36.85
	Total Segment Liabilities	34,753.83	32,451.38	19,223.28	34,753.83	19,223.28	29,959.49

Notes:

4 Fee and commission income majorly includes commission from syndication loan.

5 The above results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors of TruCap Finance Limited (Formerly known as Dhanvarsha Finvest Limited) ('Parent Company') at their respective meetings held on November 14, 2022.

6 The consolidated financial results for the quarter and half year ended September 30, 2022 have been limited reviewed by the Statutory Auditors and they have issued an unmodified opinion. The unaudited consolidated financial results for the quarter and half year ended September 30, 2022 include the unaudited financials of the wholly owned subsidiary, DFL Technologies Private Limited.

7 The name of Parent Company has been changed from Dhanvarsha Finvest Limited to TruCap Finance Limited with effect from August 3, 2022 vide certificate of incorporation pursuant to change in name issued by Registrar of Companies, Mumbai.

8 The Board of the Parent Company has changed the registered office address of the Company from 2nd Floor, Building No. 4, DJ House, Old Nagardas Road, Andheri East, Mumbai 400069 to 3rd Floor, A Wing, D.J. House, Old Nagardas Road, Andheri East, Mumbai - 400069 with effect from May 31, 2022.

9 The Board of the DFL Technologies Private Limited, wholly owned subsidiary company, has changed the registered office address of the Company from 2nd Floor, Building No. 4, DJ House, Old Nagardas Road, Andheri East, Mumbai 400069 to Ground Floor, D. J. House, Old Nagardas Road, Andheri (East), Mumbai - 400 069 with effect from May 31, 2022.

10 During the quarter ended September 30, 2022, the Parent Company allotted 1,77,028 equity shares to non-promoters upon exercise of Compulsory Convertible Debentures (CCDs) held by them. Further, during the quarter ended September 30, 2022, the Parent Company has allotted 7,10,310 equity shares upon exercise of ESOPs granted under Dhanvarsha ESOP Plan - 2018.

TruCap Finance Limited

11 The Listed, Secured, Non-Convertible Debentures (NDCs) (ISIN: INE615R07026) of the Parent Company aggregating to Rs. 15 Crore (principal value) were due for maturity on June 11, 2023. However, during the quarter ended September 30, 2022, the Parent Company has exercised call option for redemption and repayment of principal and outstanding interest on September 9, 2022 as per the terms and conditions of issue stated in the Information Memorandum dated June 11, 2021. Further, the Parent Company has made timely payment towards principal and interest of the aforesaid NCDs in full on September 9, 2022.

12 The Listed, Secured, Non-Convertible Debentures (NDCs) of the Parent Company aggregating to Rs. 15 Crore (principal value and outstanding interest) are secured by corporate guarantee of Wilson Holdings Pvt Ltd, holding company, and first and exclusive charge basis by way of hypothecation over the receivables of the Parent Company and the Parent Company has maintained at all times the asset cover at 1.25 (One decimal point two five) times as mentioned in the offer/date document. These NCDs were allotted on September 01, 2021 respectively and listed on BSE Limited.

13 The figures for the previous period/year have been regrouped / rearranged wherever necessary to make them comparable with those of current period.

For and on behalf of the Board of TruCap Finance Limited

Rohanjeet Singh Juneja
Managing Director and
Chief Executive Officer
DIN: 08342094

TruCap Finance Limited

Mumbai, November 14, 2022

Independent Auditor's Report

TO THE MEMBERS OF DHANVARSHA FINVEST LIMITED

REPORT ON AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated Ind AS financial statements of **DHANVARSHA FINVEST LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including India Accounting Standards ('Ind AS') specified under section 133 of the Act , of the state of affairs (financial position) of the Company as at 31st March 2022, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Ind AS financial statements.

KEY AUDIT MATTERS

Key audit matter	How the matter was addressed in our audit
Allowances for expected credit losses ('ECL'): The company has reported that 'As at 31 March 2022, the carrying value of loan assets measured at amortised cost, aggregated ₹ 289.06 crore (net of allowance of expected credit loss ₹4.68 crore) constituting approximately 61.22 % of the Company's total assets.	Auditors have examined the policies approved by the Boards of Directors of the Company and of the subsidiary that articulate the objectives of managing each portfolio and their business models. Also verified the methodology adopted for computation of ECL ('ECL Model') that addresses policies approved by the Boards of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, have confirmed that adjustments to

BANSAL BANSAL & COMPANY CHARTERED ACCOUNTANTS MUMBAI

Key audit matter	How the matter was addressed in our audit
Significant judgment has been used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets is a critical estimate involving greater level of judgment by the management. As part of risk assessment, determined that ECL on such loan assets has a high degree of estimation which may be uncertain, with a potential range of reasonable outcomes for the standalone financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Quantitative and Qualitative factors used in staging the loan assets measured at amortised cost; • Basis used for estimating Loss Given Default ('LGD'), Probabilities of Default ('PD'), and exposure at default ('EAD') product level with past trends; • Judgments used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and • Adjustments to model driven ECL results to address emerging trends.	the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment been approved by the Audit Committee of the Board of Directors. Audit procedures related to the allowance for ECL included the following, among others: Testing the design and operating effectiveness of the following: • Completeness and accuracy of the Exposure at Default ('EAD') and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied. • accuracy of the computation of the ECL estimate including methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model; • completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; Testing details on a sample basis in respect of the following: • the mathematical accuracy of the ECL computation by using the same input data as used by the company; • accuracy and completeness of the input data such as period of default and other related information used in estimating the PD; • completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed. • evaluating the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL model to ensure that the adjustment was in conformity with the overlay amount approved by the audit committee of the company.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

INFORMATION OTHER THAN THE IND AS FINANCIAL STATEMENTS AND AUDITORS REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance and Shareholder's Information and Business Responsibility Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

BANSAL BANSAL & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

120, Building No.6, Mittal Industrial Estate, Andheri Kurla Road, Andheri East, Mumbai - 400 059
Tel.: +91 4222 4444 • E-mail : mail@bansalbansal.com

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of written representations received from the directors as on 31st March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022, from being appointed as a director in terms of section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements – Refer Note. No. 35 on Contingent Liabilities to the Standalone Ind AS financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

BANSAL BANSAL & COMPANY CHARTERED ACCOUNTANTS MUMBAI

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Bansal Bansal & Co.
Chartered Accountants
FRN: 100986W

BANSAL BANSAL & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

Jatin Bansal
(Partner)
Membership No.135399
UDIN: 22135399AJXOOB3223

Place : Mumbai
Dated : 30th May 2022

Annexure – A to the Auditor's Report

The Annexure referred to in Paragraph 1 of the Auditors Report of Even date to the Members of **DHANVARSHA FINVEST LIMITED**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i.

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

b. The Company has a regular programme for physical verification in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c. The company does not have any immovable property

d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e. The Company does not hold any benami property.

ii. The Company is a Non- Banking Finance Company, primarily engaged in the business of lending, providing of services and does not hold any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

iii. The Company has granted loans, secured or unsecured to companies, firms, limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

a. The terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
b. The schedule of repayment of principal and payment of interest in respect of such loans has been stipulated and the repayments or receipts of principal amounts and interest are regular.
c. In respect of the aforesaid loans, there is no overdue amount in respect of loans granted to companies, firms, Limited Liability Partnerships, or other parties listed in the register maintained under section 189 of the Act.

iv. The Company has complied with the provisions of section 185 and 186 (1) of the Act in respect of grant of loans, making investments and providing guarantees and securities as applicable. Further, as the Company is a Non-Banking Finance Company engaged in the business of financing, the provision of section 186 [except for subsection (1)] are not applicable to the Company.

v. In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

BANSAL BANSAL & COMPANY CHARTERED ACCOUNTANTS MUMBAI

vi. The Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

vii.

a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, Income-Tax, Sales-Tax, Goods and Services tax, Service tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.

b. The dues outstanding with respect to, income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature Of dues	Amount in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	52.79*	AY 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	83.29	AY 2018-19	Assessing Officer

*Net of Rs.13.20 Lakhs paid under protest.

viii. There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix.

a. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender,

b. The company is a not declared wilful defaulter by any bank or financial institution or other lender;

c. The term loans were applied for the purpose for which the loans were obtained;

d. During the year no funds were raised on short term basis;

e. This sub clause is not applicable to the company;

f. This sub clause is not applicable to the company;

x.

a. In our opinion and according to the information and explanations provided by the management, no money has been raised by way of initial public offer or further public offer (including debt instruments);

b. In our opinion and according to the information and explanations provided by the management, during the year under review, the Company has issued and allotted through preferential allotment or private placement basis shares/convertible debentures (fully, partially, or optionally convertible), convertible warrants during the year; the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.

BANSAL BANSAL & COMPANY * CHARTERED ACCOUNTANTS * MUMBAI xi.

a. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

b. A report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

c. No whistle-blower complaints were received during the year by the company;

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations provided by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable Indian Accounting Standards.

xiv.

a. Based on information and explanation provided to us and our audit procedures, In our opinion, The company have an internal audit system commensurate with size and nature of business.

b. The reports of the Internal Auditors for the period under audit were considered by the statutory auditor

xv. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

xvi.

a. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained by the Company.

b. the company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;

c. the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

xvii. The company has not incurred cash losses in the current financial year. There were no cash losses in preceding financial year.

xviii. There has been resignation of the statutory auditors during the year. There were no issues, objections or concerns raised by the outgoing auditor.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

BANSAL BANSAL & COMPNAY MUMBAI CHARTERED ACCOUNTANTS

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project.

xxi. There have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For **Bansal Bansal & Co.**
Chartered Accountants
FRN: 100986W

BANSAL BANSAL & COMPANY CHARTERED ACCOUNTANTS MUMBAI

Jatin Bansal

Jatin Bansal
(Partner)
Membership No.135399
UDIN: 22135399AJXOOB3223

Place : Mumbai
Dated : 30th May 2022

Annexure – B to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **DHANVARSHA FINVEST LIMITED** ("the Company") as of 31st March 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial control and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

BANSAL BANSAL & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

For Bansal Bansal & Co.
Chartered Accountants
FRN: 100986W

Jatin Bansal

Jatin Bansal
(Partner)
Membership No.135399
UDIN: 22135399AJXOOB3223

Place : Mumbai
Dated : 30th May 2022

Dhanvarsha Finvest Limited
Standalone Balance sheet as at March 31, 2022

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
Assets			
Financial Assets			
(a) Cash and cash equivalents	4	5,758.78	3,142.77
(b) Bank balances other than cash and cash equivalents	5	2,024.03	1,530.37
(c) Receivables	6		
(i) Trade receivables		1,228.63	210.28
(ii) Other receivables		46.98	46.98
(d) Loans	7	28,905.66	9,970.19
(e) Investments	8	5,089.47	1,818.67
(f) Other financials assets	9	569.95	97.66
Total financial assets		43,623.48	16,816.80
Non Financials Assets			
(a) Current tax assets (net)	10	173.19	174.49
(b) Deferred tax assets (net)	11	72.57	115.95
(c) Property, plant and equipment	12	737.84	353.99
(d) Right of use assets	12	637.38	518.82
(e) Capital work in progress	12	194.23	-
(f) Intangible assets under development	12	926.84	124.93
(g) Other Intangible assets	13	386.37	176.53
(h) Other non-financials assets	14	466.94	176.04
Total non financials assets		3,595.36	1,640.76
Total Assets		47,218.84	18,457.56
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
(a) Payables	15		
(i) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		35.22	14.78
Total outstanding dues of creditors other than micro enterprises and small enterprises		322.70	147.00
(ii) Other payables			
and small enterprises		11.97	21.56
Total outstanding dues of creditors other than micro enterprises and small enterprises		118.03	43.02
(b) Debt Securities	16	3,821.46	501.66
(c) Borrowings (Other than Debt Securities)	17	24,826.19	7,450.85
(d) Other financial liabilities	18	218.72	46.85
Total financial liabilities		29,354.29	[illegible]
Non-Financial Liabilities			
(a) Current tax liabilities (net)	10	38.85	[illegible]
(b) Provisions	19	65.25	48.93
(c) Deferred tax liabilities (net)	11	-	-
(d) Other non-financial liabilities	20	[illegible]	110.19
Total non-financial liabilities		470.43	195.91
Total Liabilities		29,824.72	[illegible]
EQUITY			
(a) Equity share capital	21	1,776.78	1,529.24
(b) Other equity	22	15,617.34	8,401.01
Total Equity		17,394.12	9,930.25
Total Liabilities and Equity		47,218.84	18,457.56
Significant accounting policies and notes to the standalone financials	1 to 60		

As per our report of even date attached

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 30, 2022

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Rohanjeet Singh Juneja
Managing Director
DIN 08342094

Minaxi Kishore Mehta
Non-executive
Non-Independent Director
DIN 03050609

Sanjay Kukreja
Chief Financial Officer
Date : May 30, 2022

Lalit Mohan Chendvankar
Company Secretary
M. No. 20699
Date : May 30, 2022

Dhanvarsha Finvest Limited

Standalone Statement of profit and loss for the year ended March 31, 2022

(Rs. in Lakhs)

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Revenue from operations			
(i) Interest income	23	4,546.75	1,222.83
(ii) Fees and commission income	24	2,270.16	1,163.86
(iii) Net gain on fair value changes	25	164.67	8.43
Total Revenue from operations		6,981.58	2,395.12
II. Other income	26	24.07	46.86
III. Total Income (I+II)		7,005.65	2,441.98
IV. Expenses			
(i) Finance costs	27	2,435.24	423.13
(ii) Fees and commission expense	28	72.41	27.40
(iii) Impairment on financial instruments	29	130.23	43.67
(iv) Employee benefits expenses	30	1,392.28	987.48
(v) Depreciation, amortization and impairment	31	408.00	119.84
(vi) Others expenses	32	1,499.80	666.95
Total Expenses		**5,937.96**	**2,268.47**
V. Profit before exceptional items and tax (III-IV)		**1,067.69**	**173.51**
Exceptional Items		-	-
VI. Profit before tax (III-IV)		**1,067.69**	**173.51**
VII. Tax expense:	33		
Current tax		285.25	71.59
Deferred tax		45.23	32.15
Earlier years tax		-	1.32
Total Tax Expense		**330.48**	**105.06**
VIII. Profit for the period (VI-VII)		**737.21**	**68.45**
IX. Other comprehensive income			
Items that will not be reclassified to profit or loss			
i) Remeasurement gain / (loss) on defined benefit plan	33	(6.66)	1.95
ii) Income tax impact on above		1.85	(0.54)
Total		(4.81)	1.41
Other comprehensive income/(loss) (A+B)		(4.81)	1.41
X. Total comprehensive income (VIII+IX)		732.40	69.86
XI. Earnings per equity share	34		
Basic (INR)		0.95	0.09
Diluted (INR)		0.80	0.07
Significant accounting policies and notes to the standalone financial statements	1 to 60		

As per our report of even date attached

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 30, 2022

Rohanjeet Singh Juneja
Managing Director
DIN: 08342094

Sanjay Kukreja
Chief Financial Officer

Date : May 30, 2022

Minaxi Kishore Mehta
Non-executive
Non-Independent Directo
DIN: 03050609

Lalit Mohan Chendvankar
Company Secretary
M. No. 20699
Date : May 30, 2022

Dhanvarsha Finvest Limited
Standalone Statement of cash flows for the year ended March 31, 2022

(Rs. In Lakhs)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net profit before taxes	1,067.69	173.50
	Adjustment for:		
	Interest income from Fixed Deposits	(98.75)	(32.06)
	Profit on sale of property, plant and equipment	-	(1.12)
	Profit on sale of investment property	-	-
	Depreciation / Amortisation	406.00	119.04
	Impairment on financial instruments	130.23	43.67
	Realised gain on investments	(164.15)	(11.17)
	Unrealised gain on investments	(0.51)	2.74
	Fee Income - Recognition per EIR	(112.13)	(51.28)
	Employee share based payment expenses	(22.45)	153.29
	Cash outflow towards finance cost	(2,435.24)	(600.92)
	Operating (loss)/ profit before working capital changes	(1,227.31)	(203.51)
	Movement in working capital		
	(Increase)/decrease in Loans	(18,953.58)	(6,684.67)
	(Increase)/Decrease in other financial assets	1,522.70	198.55
	(Increase)/Decrease in other assets	37.73	(236.38)
	(Increase)/Decrease in Trade Receivable	(1,018.30)	(139.80)
	Increase/(Decrease) in Other payables	260.05	179.79
	Increase/(Decrease) in Other Financial liabilities	1,293.98	21.73
	Increase/(Decrease) in Other liabilities	228.20	(748.83)
	Increase/(Decrease) in provisions	46.31	24.09
	Cash generated from operations	(17,810.26)	(7,588.83)
	Income taxes paid	(283.94)	(202.18)
	Net cash from/(utilised in) operating activities	(18,094.21)	(7,791.01)
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Property, plant and equipment and Intangible Assets	(2,116.38)	(937.71)
	Proceeds from sale of Property, plant and equipment and Intangible Assets	-	130.52
	Purchase of investment at fair value through profit and loss account	(20,512.28)	(5,074.81)
	Proceeds from sale of investment at fair value through profit and loss account	17,242.00	4,105.41
	Investment in equity shares of the subsidiary	(1,800.10)	(895.00)
	Investment in Fixed Deposits	(4,984.50)	(2,682.50)
	Proceeds from sale of Fixed Deposits	4,460.00	1,550.00
	Interest income from Fixed Deposits	98.75	32.06
	Net cash from/(utilised in) investing activities	(7,612.51)	(3,769.03)
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from issue of share capital and share warrants including share premium	197.69	2,174.92
	Debt securities issued	9,562.65	5,000.00
	Debt securities repaid		
	Borrowings other than debt securities issued	73,622.70	8,905.00
	Proceeds from / (repayment of) borrowings	(14,949.33)	(1,587.71)
	Payment of Lease Liability	(111.66)	(14.60)
	Dividend paid including dividend distribution tax	(16.34)	(14.34)
	Net cash from financing activities	[illegible]	14,533.28
	NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	2,615.01	2,973.24
	Cash and cash equivalents at the beginning of the financial year	3,143.77	169.53
	Cash and cash equivalents at end of the year	5,758.78	3,143.77

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balances with banks in Current accounts	5,247.71	3,065.14
Cash on hand (including foreign currencies)	511.07	78.64
Bank deposits with maturity of less than 3 months		-
Total	5,758.78	3,143.77

The above standalone statement of Cash Flows has been prepared under the indirect method as set out in the Indian Accounting Standard 7 'Statement of Cash Flows'.

For disclosures relating to changes in liabilities arising from financing activities, refer note 46

Significant accounting policies and notes to the standalone financial statements 1 to 60

As per our report of even date attached

For Bansal Bansal & Co.
Chartered Accountants
ICAI FRN 100986W

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 30, 2022

BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Rohanjeet Singh Juneja
Managing Director
DIN: 08342094

Minaxi Kishore Mehta
Non-executive
Non-Independent Director
DIN: 03050609

Sanjay Kukreja
Chief Financial Officer

Lalit Mohan Chendvankar
Company Secretary
M. No. 20899

Date: May 30, 2022

Date: May 30, 2022

Dhanvarsha Finvest Limited
Standalone Statement of changes in equity as at March 31, 2022

A. Equity share capital

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	1,529.24	1,350.78
Changes in equity share capital during the year	247.54	178.46
Balance at the end of the year	1,776.78	1,529.24

B. Other Equity

(Rs. In Lakhs)

Particulars	Reserve and Surplus								
	Securities Premium	Employee stock option outstanding	Retained Earnings	Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Money received against share warrants	Share application money pending allotment	Equity component of compound financial instruments	Capital Contribution	Total
Balance at April 1, 2020	629.85	120.16	616.96	277.38	125.00	-	-	-	1,769.33
Profit for the year	-	-	68.45	-	-	-	-	-	68.45
Additions for the year	1,397.67	-	-	-	875.00	2.92	4,376.42	281.90	6,933.91
Deletion for the year	-	-	-	-	(500.00)	-	-	-	(500.00)
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(13.69)	13.69	-	-			-
Options Exercised and lapsed	-	(0.19)	0.19	-	-	-	-	-	-
Share based payments to employees	-	153.29	-	-	-	-	-	-	153.29
Utilisation of securities premium	-	(19.47)	-	-	-	-	-	-	(19.47)
ESOP's granted to employees of Subsidiary Company		15.42	-	-	-	-	-	-	15.42
Remeasurement of defined benefit plans (net of tax)	-	-	1.41	-	-	-	-	-	1.41
Dividend paid	-	-	(14.34)	-	-	-	-	-	(14.34)
Dividend distribution tax	-	-	-	-	-	-	-		-
Changes during the year	1,397.67	149.05	42.03	13.69	375.00	2.92	4,376.42	281.90	6,638.67
At March 31, 2021	2,027.52	269.21	657.98	291.07	500.00	2.92	4,376.42	281.90	8,407.01
Profit for the year	-	-	737.21	-	-	-	-	-	737.21
Additions for the year	2,469.61	-	-	-	-	-	3,309.10	746.09	6,524.81
Deletion for the year	-	-	-	-	(50.00)	(1.28)	-		(51.28)
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(146.48)	146.48	-	-	-	-	-
Options Exercised and lapsed	-	(86.79)	86.79	-	-	-	-		-
Share based payments to employees	-	(22.45)	-	-	-	-	-	-	(22.45)
Utilisation of securities premium	-	(35.75)	-	-	-	-	-	-	(35.75)
ESOP's granted to employees of Subsidiary Company	-	70.25	-	-	-	-	-	-	70.25
Remeasurement of defined benefit plans (net of tax)		-	(4.81)	-	-	-	-	-	(4.81)
Dividend paid	-	-	(7.67)	-	-	-	-	-	(7.67)
Dividend distribution tax		-	-	-	-	-	-		-
Changes during the year	2,469.61	(74.74)	665.04	146.48	(50.00)	(1.28)	3,309.10	746.09	7,210.33
At March 31, 2022	4,497.14	194.47	1,323.02	437.55	450.00	1.64	7,686.52	1,027.99	15,617.34

Significant accounting policies and notes to the Financial Statements 1 to 60

As per our report of even date attached

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 30, 2022

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Rohanjeet Singh Juneja
Managing Director
DIN: 08342094

Sanjay Kukreja
Chief Financial Officer

Date : May 30, 2022

Minaxi Kishore Mehta
Non-executive Non-Independent Director
DIN: 03050609

Lalit Mohan Chendvankar
Company Secretary
M. No. 20699
Date : May 30, 2022

Dhanvarsha Finvest Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

1. Nature of operations

Dhanvarsha Finvest Limited (the Company) is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged primarily in the business of providing Micro Enterprise Loans, SME Loans, Other Structured Business, Personal Loans, Gold Loans and and in providing ancillary services related to the said business activities. The Company is Non-Systematically Important Non-deposit taking Non-Banking Financial Company ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI") dated January 05, 2021 and its shares are listed on the BSE Limited.

2. Basis of preparation

A. Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The new amended standards has been followed by the company and all the reclassifications consequent to amendments to schedule III has been incorporated.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the financial statement.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to NonBanking Financial Companies (NBFCs), as notified by the MCA.

These financial statements are approved for issue by the Board of Directors on May 30, 2022.

B. Significant and material orders

During the year, there is no significant or material orders were passed by any regulator or court or any tribunal impacting the going concern status and company's operations in future.

C. Functional and presentation currency

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All the amounts are rounded to the nearest lakhs with two decimals, except when otherwise indicated.

D. Basis of measurement

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the Act, except for:

- Financial instruments – measured at fair value
- Employees Stock Option plan as per fair value of the option
- Employee's Defined Benefit Plan as per actuarial valuation.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

E. Use of estimates and judgements

The preparation of financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgments, estimates and assumptions are recognised in particular for:

i. Business model assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii. Determination of estimated useful lives of property, plant, equipment:

Useful lives of property, plant and equipment are based on nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support.

iii. Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the basis of above valuation includes discount rate, trends in salary escalation, demographics and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Further details are disclosed in Note 38.

iv. Recognition of deferred tax assets:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

v. Recognition and measurement of provisions and contingencies

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

vi. **Fair value of financial instruments**

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Refer Note 49 about determination of fair value. For recognition of impairment loss on other financial assets and risk exposures, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss.

vii. **Impairment of financial assets**

The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Company assesses whether the above financial assets are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Company follows 'general approach' for recognition of impairment loss allowance on loan and advances. Under this approach impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

viii. **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

F. **Standards issued but not effective:**

The amendments are proposed to be effective for reporting periods beginning on or after April 1, 2021:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

3. Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

A. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Company and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of property, plant and equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on plant, property and equipment

Depreciation on property, plant and equipment (except motor vehicles) is provided on straightline method at estimated useful life, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Particulars	Useful Life as per prescribed in Schedule II of the Act (year)
Computers	3
Networks and Servers	6
Furniture and fixtures	10
Office equipment	5

Motor vehicles are depreciated over a period of eight years on written down value method. Leasehold improvement is amortized over the period of the lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

B. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss.

Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Company's intangible assets is as below:

Particulars	Useful life (years)
Computer software	5

C. Impairment of property, plant and equipment and intangible assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of asset or recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at balance sheet date there is an indication that a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Recoverable amount is the higher of an asset's or cash generating unit's net selling price and value in use.

D. Revenue recognition

i. **Interest income**

Interest income for all financial instruments except for those measured or designated as at Fair Value Through Profit and Loss account (FVTPL) are recognised in the profit or loss account using the effective interest method (EIR). Interest on financial instruments measured as at FVTPL is included within the fair value movement during the period.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)).

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the expected cash flow

s are estimated by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

ii. Processing fee and application fee:

Income from application and processing fees including recovery of documentation not forming part of effective rate calculation charges are recognised upfront.

iii. Delayed payment charges, penal interest, other penal charges, foreclosure charges :

Delayed Payment charges, Penal interest, Other Penal Charges, Foreclosure Charges are recognised on receipt basis on account of uncertainty of the ultimate collection of the same.

iv. Dividends:

Dividend income is recognized when the Company's right to receive dividend is established on the reporting date.

v. Fees and commission income:

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation.

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

vi. Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVOCI.

E. Investments in subsidiaries, associates and joint ventures

The investments in subsidiaries, are carried in these financial statements at historical 'cost'. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of profit and loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

F. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

– Fixed payments, including in-substance fixed payments;
– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
– Amounts expected to be payable under a residual value guarantee; and
– The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension

option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property and hence disclosed in 'property, plant and equipment' and lease liabilities in 'Borrowings' in the statement of financial position.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of properties that are having non-cancellable lease term of less than 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a Lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

G. Financial Instruments

i. Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial instruments to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the cashflows of the financial assets and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

ii. Financial assets at amortised cost:

The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

iii. Financial assets at Fair value through Other Comprehensive Income (FVOCI):

The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

iv. Financial instruments at fair value through profit and loss account (FVTPL)

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Company does not have any financial instruments designated as measured at fair value through profit or loss.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives;or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Company has not designated any financial instruments as measured at fair value through profit or loss.

v. Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

BANSAL BANSAL & COMPANY MUMBAI

DHANVARSHA FINVEST LIMITED

vi. Derecognition of financial assets and financial liabilities

Recognition

a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.

b) Investments are initially recognised on the settlement date.

c) Borrowings are initially recognised when funds reach the Company.

d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification :

a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

I. The Company has transferred its contractual rights to receive cash flows from the financial asset, or ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer only qualifies for derecognition if either:

i. The Company has transferred substantially all the risks and rewards of the asset, or

ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Company does not have any financial liabilities which have been derecognised.

BANSAL BANSAL & COMPANY CHARTERED ACCOUNTANTS MUMBAI

DHANVARSHA FINVEST LIMITED

vii. **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

viii. **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognized at the amount of the proceeds received, net of direct issue costs.

IX. **Compound Financial Instruments**

Compulsorily convertible instruments with a fixed conversion ratio are separated into liability and equity components. On issuance of the said instruments, the liability component (being the present value of the future interest cash outflows discounted at a market rate for an equivalent non-convertible instrument) is reduced from the fair value of the instrument to arrive at the equity component. This Equity component is disclosed separately under Other Equity.

H. **Impairment of financial assets:**

The Company records allowance for expected credit losses (ECL) for all loans and debt investments, together with loan commitments to customers. The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case the allowance is based on the 12 months' expected credit loss. Both life time expected credit loss and 12 months' expected credit loss are calculated on individual loan / instrument basis.

At the end of each reporting period, the Company performs an assessment of whether the loan's / investment's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the asset.

The method and significant judgments used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in note 50 (Risk Management).

Simplified approach for trade/other receivables and contract assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade/other receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

I. Determination of fair value

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: inputs for the current assets or liability that are not based on observable market data (unobservable inputs).

J. Retirement and other employee benefits

Defined Contribution schemes

The employees of the Company who have opted, are entitled to receive benefits under the Provident Fund Scheme and Employee Pension Scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

Defined benefit plans

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss. Net interest expense / (income) on the defined liability / (assets) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Other Long Term Employee Benefits

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

K. Share based payments

Employees stock options plans ("ESOPs") - Equity settled

The Company grants share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Company's operations. Employees (including directors) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity settled transactions").

The cost of equity-settled transactions with employees and directors for grants is measured by reference to the fair value at the date at which they are granted. The cost of equity-settled transactions is recognised in statement profit and loss, together with a corresponding increase in other equity, representing contribution received from the shareholders, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

L. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of temporary timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary timing differences. Deferred tax assets are recognized for deductible temporary timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Minimum alternate tax

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

M. Finance costs

Finance costs represents interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- At the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

N. Foreign currency transactions and balances

i. Initial recognition:

Foreign currency transactions are recorded in the reporting currency (which is Indian Rupees), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences:

All exchange differences arising on settlement or translation of monetary items are recognized as income or as expenses in the period in which they arise.

O. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

P. Segmental reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

The Joint Managing Directors of the Company assesses the financial performance and position of the Company and make strategic decisions and hence has been identified as being chief operating decision maker.

Q. Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

R. Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements if the inflow of the economic benefit is probable than it is disclosed in the financial statements.

S. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

T. Good and service tax input credit

Goods and Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits. The Company has opted to claim 50% of eligible input tax credit on inputs, capital goods and input services and the balance 50% is charged to the statement of profit and loss as per applicable provisions.

BANSAL BANSAL & COMPANY MUMBAI

DHANVARSHA FINVEST LIMITED

4 Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	511.03	75.90
Foreign currency on hand	1.04	0.73
Balance with Bank (of the nature of cash and cash equivalents)	5,247.71	3,066.14
Total	5,759.78	3,142.77

5 Bank balances other than cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividend accounts	17.03	18.95
Bank deposit with original maturity for more than three months	2,007.00	1,511.42
Total	2,024.03	1,530.37
Note: 1) Fixed deposit earns interest at a fixed interest rate.		
2) Bank deposits amounting to Rs. 2007.00 Lakhs (March 31, 2021 - 1,018.61 Lakhs) pledged as lien against borrowings.		

6 Receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Trade Receivable		
Considered good - secured	-	-
Considered good - unsecured	1,228.64	117.49
Trade receivables which have significant increase in credit risk	18.57	95.36
Trade receivables credit impaired	-	-
Gross	1,247.21	212.85
Less: Allowances for impairment loss on credit impaired trade receivables (Refer Note 46)	(18.57)	(2.57)
Total (Refer Note 46)	1,228.63	210.28
(ii) Other Receivables		
Considered good - secured	-	-
Considered good - unsecured	46.96	46.96
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit impaired	-	-
Total	46.96	46.96
Less: Allowances for impairment loss on credit impaired trade receivables (Refer Note 46)	-	-
Total	1,275.59	257.24

i) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

ii) No trade receivables are due from firms or private Companies respectively in which any director is a partner,a director or a member. However, Other receivables balance as at March 31, 2022 includes Rs. 46.96 Lakhs (March 31, 2021: Rs. 46.96 Lakhs) due from firms or private Companies respectively in which any director is a partner,a director or a member.

iii) The company has not entered in any supplier finance arrangements during the financial year 2021-22.

Aging of trade receivables

(Rs. in Lakhs)

Particulars	FY 2021-22						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade receivables:							
Considered good	-	-	1,275.60	-	-	-	1,275.60
Which have significant increase in credit risk	-	-	18.57	-	-	-	18.57
Credit impaired	-	-	(18.57)	-	-	-	(18.57)
Total	-	-	1,275.59	-	-	-	1,275.59
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Particulars	FY 2020-21						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade receivables							
Considered good	-	-	164.45	-	-	-	164.45
Which have significant increase in credit risk	-	-	95.36	-	-	-	95.36
Credit impaired	-	-	(2.57)	-	-	-	(2.57)
Total	-	-	257.24	-	-	-	257.24
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Reconciliation of impairment loss allowance on trade receivables:

(Rs. in Lakhs)

Particulars	Amount
Impairment allowance measured as per simplified approach	-
Impairment allowance as per April 01, 2020	-
Add: Addition during the year	2.57
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2021	2.57
Add: Addition during the year	16.00
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2022	18.57

The managements expects no default in receipt of other receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on other receivables.

BANSAL BANSAL & COMPANY CHARTERED ACCOUNTANTS MUMBAI

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

7 Loans and Advances

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Amortised Cost		
Term Loans		
Secured Loans (considered good)	13,804.88	6,172.75
Unsecured Loans (considered good)	15,568.47	4,269.48
Total Gross (A) (Refer Note 7.1 and 46)	**29,373.35**	**10,442.23**
Less: Impairment loss allowance (Refer Note 7.2 and 46)	(467.69)	(472.04)
Total Net (A)	**28,905.66**	**9,970.19**
(i) Secured by tangible assets	13,804.88	6,172.75
(ii) Secured by intangible assets	-	-
(iii) Covered by Bank/Government Guarantees	-	-
(iv) Unsecured	15,568.47	4,269.48
Total Gross (B)	**29,373.35**	**10,442.23**
Less: Impairment loss allowance	(467.69)	(472.04)
Total Net (B)	**28,905.66**	**9,970.19**
Loans in India		
(i) Public Sector	-	-
(ii) Others	29,373.35	10,442.23
Loans outside India	-	-
Total Gross (C)	**29,373.35**	**10,442.23**
Less: Impairment loss allowance	(467.69)	(472.04)
Total Net (C)	**28,905.66**	**9,970.19**

7.1 The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due:

(Rs. in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant increase in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	> 90 DPD
March 31, 2022			
Secured Loan	10,211.87	3,001.57	591.44
Unsecured Loan	14,694.54	547.63	326.20
Total	**24,906.41**	**3,549.20**	**917.64**
March 31, 2021			
Secured Loan	4,843.51	976.40	352.84
Unsecured Loan	3,983.54	195.29	90.65
Total	**8,827.05**	**1,171.69**	**443.49**

7.2 The following table summarises the changes in loss allowances measured using expected credit loss model:

(Rs. in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant increase in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	More than 90 DPD
ECL Allowance - March 31, 2022			
Secured Loan	12.87	72.51	72.47
Unsecured Loan	52.14	25.62	232.08
Total	**65.01**	**98.13**	**304.55**
March 31, 2021			
Secured Loan	37.20	154.73	155.80
Unsecured Loan	56.06	19.66	48.39
Total	**93.26**	**174.39**	**204.19**

7.3 Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties:

Particulars	As at March 31, 2022	As at March 31, 2021
loans:		
Promoters	-	-
Subsidiaries	93.46	
Directors	-	-
Key-managerial personnel	-	-
Other related parties	-	-
Total	**93.46**	-
Advances:		
Promoters	-	-
Subsidiaries	-	-
Directors	-	-
Key-managerial personnel	-	-
Other related parties	-	-
Total	-	-
Loans & Advances repayable on demand		
Loans	-	-
Advances	-	-
Total	-	-

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

8 Investments

(Rs. in Lakhs)

Particulars	March 31, 2022						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	2,503.70	-	2,503.70	-	2,503.70
(ii) Equity instruments Subsidiaries (Refer Note 8.1)	-	-	-	-	-	2,585.77	2,585.77
Total Gross (A)	-	-	2,503.70	-	2,503.70	2,585.77	5,089.47
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	2,503.70	-	2,503.70	2,585.77	5,089.47
Total (B)	-	-	2,503.70	-	2,503.70	2,585.77	5,089.47
Less: Impairment allowance (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	2,503.70	-	2,503.70	2,585.77	5,089.47

(Rs. in Lakhs)

Particulars	March 31, 2021						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	1,103.25	-	1,103.25	-	1,103.25
(ii) Equity instruments Subsidiaries (Refer Note 8.1)	-	-	-	-	-	715.42	715.42
Total Gross (A)	-	-	1,103.25	-	1,103.25	715.42	1,818.67
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	1,103.25	-	1,103.25	715.42	1,818.67
Total (B)	-	-	1,103.25	-	1,103.25	715.42	1,818.67
Less: Impairment allowance (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	1,103.25	-	1,103.25	715.42	1,818.67

The Company has Employee Stock Option Plans (ESOP) in force. Based on such ESOP schemes, the Company has granted options to acquire equity shares of the company to certain employees of subsidiary. It has been included in the above carrying value of investment in the subsidiary.

There are no investments measured at FVOCI

More information regarding the valuation methodologies can be found in Note 45

8.1 8.1 In compliance with Ind AS 27 " Separate Financial Statements" the required information is as under:

Name of entity	Principal place of business/ country of origin	Subsidiary/ Associate/ Joint Venture	Percentage of ownership interest as on	
			As at March 31, 2022	As at March 31, 2021
			%	%
DFL Technologies Private Limited	India	Subsidiary	100	100

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

9 Other financial assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit	67.80	75.78
Other advances*	472.05	80.14
Other Financial Assets	-	32.18
Total	540.[illegible]	[illegible]

* Includes the amount recoverable from related party, Current year Rs. Nil (previous year Rs. [illegible] lakhs)

10 Current Tax assets/(Liabilities)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax assets		
Advance Income tax (Net of provisions of Rs. 587.89 lakhs (March 31, 2021: Rs. 352.71 lakhs))	173.19	174.69
Current Tax liabilities		
Provision for current tax (Net of advance tax of Rs. Nil lakhs (March 31, 2021: Rs. Nil lakhs))	(36.85)	(36.85)
Total	136.34	137.84

11 Deferred tax assets/(liabilities) (net)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax asset on account of:		
Impairment loss allowance	175.17	128.20
Provision on Employee Stock Option	54.11	74.90
Expenses allowable for tax purposes when paid	24.21	17.66
EIR impact on loans measured at amortised cost	65.22	32.43
Other Temporary Differences	0.20	1.46
Right of Use Assets	18.79	-
EIR impact of Subvention Income	7.73	-
Deferred tax liability on account of:		
Property, plant and equipment and other intangible assets - carrying amount	(7.13)	(20.54)
EIR impact of DSA Commission	(64.90)	(28.59)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	(103.40)	(44.35)
Liability component of Compound Financial Instrument	(35.32)	(29.10)
Other Temporary Differences	(6.02)	(11.12)
MAT Entitlement Credit	-	-
Net deferred tax assets	72.87	116.86

11.1 Note (a): Summary of deferred tax assets/(liabilities)

(Rs. in Lakhs)

Particulars	As at April 1, 2020	(Charged)/Credited to P & L	(Charged)/ Credited to OCI	Utilised	As at March 31, 2021
Impairment loss allowance	116.05	12.15	-	-	128.20
Provision on Employee Stock Option	33.43	41.47	-	-	74.90
Expenses allowable for tax purposes when paid	8.91	5.35	(0.59)	-	17.66
EIR impact on loans measured at amortised cost	1.44	30.99	-	-	32.43
Other Temporary Differences	0.21	1.25	-	-	1.46
Property, plant and equipment and other intangible assets - carrying amount	(8.18)	(12.36)	-	-	(20.54)
EIR impact of DSA Commission	(1.22)	(27.37)	-	-	(28.59)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	(44.35)	-	-	(44.35)
Liability component of Compound Financial Instrument	-	(29.10)	-	-	(29.10)
Other Temporary Differences	2.95	(11.12)	-	-	(11.12)
MAT Entitlement Credit	39.59	-	-	39.59	-
Net deferred tax assets/(liability)	188.34	(32.51)	(0.59)	39.59	116.86

Particulars	As at April 1, 2021	(Charged)/Credited to P & L	(Charged)/ Credited to OCI	Utilised	As at March 31, 2022
Impairment loss allowance	128.20	[illegible]	-	-	175.17
Provision on Employee Stock Option	74.90	(20.79)	-	-	54.11
Expenses allowable for tax purposes when paid	17.66	4.70	1.85	-	24.21
EIR impact on loans measured at amortised cost	32.43	32.79	-	-	65.22
Other Temporary Differences	1.46	(1.26)	-	-	0.20
Right of use assets	-	18.79	-	-	18.79
EIR impact of subvention income	-	7.73	-	-	7.73
Property, plant and equipment and other intangible assets - carrying amount	(20.54)	13.41	-	-	(7.13)
EIR impact of DSA Commission	(28.59)	(36.31)	-	-	(64.90)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	(44.35)	(59.05)	-	-	(103.40)
Liability component of Compound Financial Instrument	(29.10)	(6.22)	-	-	(35.32)
Other Temporary Differences	(11.12)	5.10	-	-	(6.02)
MAT Entitlement Credit	-	-	-	-	-
Net deferred tax assets/(liability)	116.86	(45.84)	1.85	-	72.87

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

12 (a) Property, plant and equipment

(b) Right of use assets

(Rs. in Lakhs)

Particulars	(a) Property, plant and equipment						(b) Right of use assets	
	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold improvements	Total	Right to Use	Total
For the year ended March 31, 2022								
Gross Carrying Amount								
Cost as at April 1, 2021	71.68	0.17	94.80	151.07	96.78	414.50	549.18	549.18
Additions	55.69	-	148.69	104.07	193.53	501.99	192.76	192.76
Adjustments	-	-	-	-	-	-	110.25	110.25
Disposals								
Gross carrying value as of March 31, 2022	127.37	0.17	243.50	255.14	290.32	916.50	852.19	852.19
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2021	32.21	-	9.67	1.91	16.72	60.51	30.36	30.36
Depreciation charge during the year	25.49	-	34.30	21.72	36.63	118.14	184.45	184.45
Disposals	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2022	57.69	-	43.97	23.63	53.35	178.65	214.81	214.81
Net carrying value as of March 31, 2022	69.67	0.17	199.52	231.51	236.96	737.84	637.38	637.38

For the year ended March 31, 2021								
Gross Carrying Amount								
Cost as at April 1, 2020	45.89	0.17	17.96	3.88	146.55	214.45	-	-
Additions	53.18	-	79.70	147.19	87.78	367.84	549.18	549.18
Adjustments	-	-	-	-	(115.53)	(115.53)	115.53	115.53
Disposals	(27.39)	-	(2.86)	-	(22.02)	(52.26)	(115.53)	(115.53)
Gross carrying value as of March 31, 2021	71.68	0.17	94.80	151.07	96.78	414.50	549.18	549.18
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2020	13.49	-	1.70	0.26	10.47	25.93	-	-
Depreciation charge during the year	18.72	-	7.97	1.65	8.68	37.01	30.36	30.36
					(2.43)	(2.43)	2.43	2.43
Disposals	-	-	-	-	-	-	(2.43)	(2.43)
Impairment loss	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2021	32.21	-	9.67	1.91	16.72	60.51	30.36	30.36
Net carrying value as of March 31, 2021	39.47	0.17	85.13	149.16	80.06	353.99	518.82	518.82

* *Revaluations of right to use assets:* The right of use assets has been revalued by by the company itself instead of any independent registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

(c) Capital work-in-progress

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital work in progress	194.23	-
Total	194.23	-

(d) Intangible assets under development

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Intangible assets under development	926.84	124.93
Total	926.84	124.93

Aging of Capital work-in-progress and intangible assets under development

(Rs. in Lakhs)

Particulars	Less than one year	1 - 2 year	2 - 3 year	More than 3 Year	Total
i. Projects in progress					
Capital work in progress	194.23	-	-	-	194.23
Intangible assets under development	926.84	-	-	-	926.84
Total	1,121.07	-	-	-	1,121.07
ii. Projects temporarily suspended					
Capital work in progress	-	-	-	-	-
Intangible assets under development	-	-	-	-	-
Total	-	-	-	-	-

BANSAL BANSAL & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

13 Other intangible assets

(Rs. in Lakhs)

Particulars	Computer software	Total
For the year ended March 31, 2022		
Gross Carrying Amount		
Cost as at April 1, 2021	262.23	262.23
Additions	315.23	315.23
Disposals	-	-
Gross carrying value as of March 31, 2022	577.47	577.47
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2021	85.69	85.69
Depreciation charge during the year	105.40	105.40
Disposals	-	-
Impairment loss		
Accumulated depreciation as of March 31, 2022	191.09	191.09
Net carrying value as of March 31, 2022	386.37	386.37
For the year ended March 31, 2021		
Gross Carrying Amount		
Cost as at April 1, 2020	181.26	181.26
Additions	105.06	105.06
Disposals	(24.09)	(24.09)
Gross carrying value as of March 31, 2021	262.23	262.23
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2020	38.39	38.39
Depreciation charge during the year	52.47	52.47
Disposals	(5.17)	(5.17)
Impairment loss	-	-
Accumulated depreciation as of March 31, 2021	85.69	85.69
Net carrying value as of March 31, 2021	176.53	176.53

14. Other non-financials assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expense	427.48	113.91
Advance to vendors	28.05	27.30
Advance to employees	11.40	10.09
Balances with statutory/government authorities	-	24.74
Total	466.94	176.04

Dhanvarsha Finvest Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

15 Payables

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	35.22	14.78
Total outstanding dues of creditors other than micro enterprises and small enterprises	322.70	147.90
Total	**357.92**	**162.68**
Other payables		
Total outstanding dues of micro enterprises and small enterprises	11.97	21.56
Total outstanding dues of creditors other than micro enterprises and small enterprises	113.03	42.52
Total	[illegible]	[illegible]

i) The company has not entered in any supplier finance arrangements during the financial year 2021-22

ii) Information required to be disclosed in accordance with Micro, Small and Medium Enterprises Development Act, 2006 has been determined based on the parties identified on the basis of information available with the Company. Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid payable are furnished below

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount remaining unpaid to supplier as at the end of the year	47.19	36.34
The interest due thereon remaining unpaid to supplier as at the end of the year		
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year		
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act		
The amount of interest accrued during the year and remaining unpaid at the end of the year		
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006		

(Rs. in Lakhs)

Particulars	FY 2021-22						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	47.19	-	-	-	47.19
Others	39.80	-	421.90	-	-	-	[illegible]
Total	[illegible]	-	[illegible]	-	-	-	[illegible]
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

(Rs. in Lakhs)

Particulars	FY 2020-21						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	36.34	-	-	-	36.34
Others	85.26	-	106.26	-	-	-	191.52
Total	85.26	-	142.60	-	-	-	227.86
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total							

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

16 Debt Securities

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
At Amortised Cost		
Unsecured		
Compulsorily Convertible Debentures *	126.98	104.59
Secured		
Non Convertible Debentures - Privately Placed	3,694.49	497.39
Total	**3,821.46**	**601.98**
Deb Securities within India	3,821.46	601.98
Deb Securities outside India	-	-
Total	**3,821.46**	**601.98**

* Includes Rs. 57.82 issued to Related Parties

Debt Securities Disclosure

i) Privately placed redeemable non-convertible debenture (Rs. in Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2022	As at March 31, 2021
(i) 24-36 Months [of Rs. 10,00,000/- each]	11.00%	375.00	375.00
(ii) 12-24 Months [of Rs. 10,00,000/- each]	11.00%	125.00	125.00
(iii) 12-24 Months [of Rs. 10,00,000/- each]	11.39%	1,500.00	-
(iv) 12-24 Months [of Rs. 1,000/- each]	11.61%	1,500.00	-
Gross		**3,500.00**	**500.00**
Less: Effective Interest Rate Adjustment		194.49	(2.61)
Net		**3,694.49**	**497.39**

Nature of Security

i) Non-convertible debenture @ 11%

The facility is secured by exclusive hypothecation of standard loans & advances receivables to maintain a security cover of 1.20 times.

ii) Non-convertible debenture @ 11.39%

The facility is secured by exclusive hypothecation of loans & advances receivables.

iii) Non-convertible debenture @ 11.61%

The facility is secured by exclusive hypothecation of loans & advances receivables.

ii) Privately placed unsecured compulsorily convertible debenture (Rs. In Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2022	As at March 31, 2021
(i) Upto 18 Months [of Rs. 22.26/- each]	2%	2,042.40	4,500.00
(i) Upto 18 Months [of Rs. 80.00/- each]	10%	6,582.89	-
Gross		8,625.29	4,500.00
Less: Equity component of compound financial instrument		(7,685.52)	(4,376.42)
Less: Accrued Interest Adjustment		(812.79)	(18.99)
Net		126.98	104.59

Terms of Redemption

The holder shall have the option to convert the CCDs, any time prior to the expiry of 18 (eighteen) months from the date of issuance of the CCDs, provided that all compulsorily convertible debentures issued shall mandatorily convert simultaneously. Each CCD shall convert into Equity Share at below mentioned conversion price:

i) CCD bering interest rate 2% shall convert into one Equity Share at a conversion price of Rs. 22.26 per equity share.

ii) CCD bering interest rate 10% shall convert into one Equity Share at a conversion price of Rs. 80.00 per equity share.

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

17 Borrowings (other than debt securities)

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
At amortised cost		
Secured		
Term Loan from Banks		
- from Banks	12,125.94	5,900.03
- from Financial Institutions	12,522.76	1,194.79
Bank Over draft	-	287.30
Unsecured		
Loans repayable on demand from other parties	-	-
Lease Liability (Refer Note 49)	177.49	68.73
Total (A)	24,826.19	7,450.85
Borrowings India	24,826.19	7,450.85
Borrowings outside India	-	-
Total (B)	24,826.19	7,450.85
Current borrowings	1,249.45	-
Current maturities of Long term borrowings	10,851.29	2,587.38
Long term borrowings	12,725.45	4,863.47
Total (C)	24,826.19	7,450.85

The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

Borrowings Disclosure

i) Term loans from Banks & Financial Institutions

(Rs. In Lakhs)

Tenure (from the date of the Balance Sheet)	Terms of Repayment	Rate of Interest	As at March 31, 2022	As at March 31, 2021
49-60 Months	Monthly Instalments	11.00%	355.70	464.28
37-48 Months	Monthly Instalments	9.75-13%	1,482.58	3,269.82
37-48 Months	Quarterly Instalments	11-13%	-	2,031.25
25-36 Months	Monthly Instalments	9.75%-13.45%	3,500.37	-
13-24 Months	Monthly Instalments	9.75%-14%	7,732.26	1,257.72
13-24 Months	Two Instalments	7-9%	-	500.58
25-36 Months	Quarterly Instalments	12.45%	156.25	-
13-24 Months	Quarterly Instalments	12.45%	625.00	-
Upto 12 Months	Quarterly Instalments	12.45%	625.00	-
Upto 12 Months	Monthly Instalments	6.75%-14%	11,475.74	-
Gross			25,952.94	7,523.65
Less: Effective Interest Rate Adjustment			(468.30)	(159.41)
Less: Capital Contribution by the Holding Company in the Form of Corporate Guarantee			(835.94)	(269.42)
Net			24,648.70	7,094.82

Nature of Security

The facility is secured on a first and exclusive charge basis by way of hypothecation over the portfolio loans in such a way that the security cover of 1.10 to 1.33 times is met. Further, the Company has provided additional security by way of lien on Fixed Deposits and Corporate Guarantee in certain cases.

ii) Bank Overdraft

(Rs. In Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2022	As at March 31, 2021
Upto 12 Months	-	-	287.30

Nature of Security

The facility is secured by pledge of gold ornaments.

18 Other financial liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unpaid dividends	17.03	18.95
Loan Pending Disbursal	-	10.29
Payable to employees	2.95	0.70
Other financial liabilities	198.74	14.75
Total	218.72	44.69

19 Provisions

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Gratuity (Refer Note 38)	36.67	10.86
Leave encashment (Refer Note 38)	50.37	34.64
PF and ESIC (Refer Note 38)	8.21	3.43
Total	95.25	48.93

20 Other non-financial liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from customers and others	245.24	74.35
Liability towards Statutory Dues	93.09	35.23
Unearned income	-	0.55
Total	338.33	110.13

BANSAL BANSAL & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

21 Equity share capital

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a. Authorised Share Capital		
25,00,00,000 (March 31, 2021: 25,00,00,000) Equity Shares of Rs. 2 each	5,000.00	5,000.00
Total	5,000.00	5,000.00
b. Issued, Subscribed and Paid-up:		
8,88,38,939 (March 31, 2021: 7,64,62,145) Equity Shares of Rs. 2 each	1,776.78	1,529.24
Total	1,776.78	1,529.24

c. Reconciliation of number of equity shares:

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	7,64,62,145	1,529.24	6,75,38,780	1,350.78
Issued during the year	1,23,76,794	247.54	89,23,365	178.46
Balance as at the end of the year	8,88,38,939	1,776.78	7,64,62,145	1,529.24

d. Details of shareholders holding more than 5% shares in the Company

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of holding	No. of Shares	% of holding
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	5,78,69,685	65.14%	4,69,14,130	61.36%
Siddhi Jaiswal	-	-	39,12,855	5.11%
Total	5,78,69,685	65.14%	5,08,26,985	66.47%

e. Shares of the Company held by the Holding Company

Particulars	As at March 31, 2022	As at March 31, 2021
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	5,78,69,685	4,69,14,130
Total	5,78,69,685	4,69,14,130

f. Details of shareholding of promoters:

Particulars	As at March 31, 2022		
	Number of shares	Percentage of total No of shares	Percentage of change during the year
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	5,78,69,685	65.14%	3.78%
Total	5,78,69,685	65.14%	3.78%

Particulars	As at March 31, 2021		
	Number of shares	Percentage of total No of shares	Percentage of change during the year
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	4,69,14,130	61.36%	4.48%
Total	4,69,14,130	61.36%	4.48%

g. Aggregate number of shares issued for consideration other than cash

Particulars	Number of shares	Number of shares
Shares issued as consideration for acquisition of subsidiary	-	-
Total	-	-

h. Shares reserved for issues under options

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Equity shares of Rs. 2 each reserved for issue under employee stock option scheme	41,51,219	83.02	85,23,570	170.47

i. Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2/- per share. Each holder of equity shares is entitled to one vote per share.In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be proportional to the number of equity shares held by the shareholders.

j. The Company has not alloted any bonus shares for the period of 5 years immediately preceding March 31, 2022.

k. Proposed dividends on equity shares

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Proposed dividend on equity shares for the year ended on March 31, 2022:Rs 0.01 per share (March 31, 2021: Rs. 0.01 per share)	8.88	7.65

l. Refer Note 41- Capital for the Company's objectives, policies and processes for managing capital

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

22 Other equity

(Rs. in Lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Securities Premium	(i)	4,497.14	2,027.52
Retained earnings	(ii)	1,323.02	857.98
Employee stock option outstanding reserve	(iii)	194.47	269.21
Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(iv)	437.55	291.07
Money received against share warrants	(v)	450.00	500.00
Share application money pending allotment	(vi)	1.84	2.92
Equity component of compound financial instruments	(vii)	7,885.52	4,378.42
Capital Contribution towards corporate guarantee	(viii)	1,027.99	281.90
Total		15,817.34	8,407.01

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act,2013

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	2,027.52	629.85
Add: premium received on issue of shares	2,469.61	1,397.67
Add: Utilisation on account of exercise option	-	-
Share Issue Expenses	-	-
Balance at the end of the year	4,497.14	2,027.52

(ii) Retained earnings

Retained Earnings are the profits of the Company earned till date net of appropriations.

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	857.98	815.96
Profit for the year	737.21	68.45
Remeasurement of defined benefit plans (net of tax)	(4.81)	1.41
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(146.48)	(13.69)
Left Employee vested expenses reversed	86.79	0.15
Dividends	(7.67)	(14.34)
Dividend distribution tax	-	-
Balance at the end of the year	1,323.02	857.98

(iii) Employee stock option outstanding reserves

Employee stock option outstanding reserves is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the group

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	269.21	120.16
Add:Share based payment expense	(22.45)	153.29
Add:ESOP's granted to employees of Subsidiary Company	70.25	15.42
Less: Share based payment expense reversed for resigned employees	(86.79)	(0.19)
Less:Transfer to securities premium on account of exercise of Options	(35.75)	(19.47)
Balance at the end of the year	194.47	269.21

BANSAL BANSAL & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

(iv) **Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934**

The Company maintains statutory reserve u/s 45-IC of Reserve Bank of India Act,1934 under which a specified amount is transferred from retained earnings

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	291.07	277.38
Add: Profit transferred during the year	146.48	13.69
Balance at the end of the year	437.55	291.07

(v) **Money received against share warrants**

money received against share warrants is to be made since shares are yet to be alloted against the share warrants

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	500.00	125.00
Add: Warrants issued during the year	-	875.00
Less: Options exercised during the year	50.00	500.00
Balance at the end of the year	450.00	500.00

(vi) **Share application money pending allotment**

The amount received on the application on which allotment is not yet made

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	2.92	-
Add: Application money received during the year	-	2.92
Less: Allotment made during the year	1.28	-
Balance at the end of the year	1.64	2.92

(vii) **Equity component of compound financial instruments**

This represent the equity component of compound financial instruments

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	4,376.42	-
Add: Equity component of compound financial instruments	3,309.10	4,376.42
Balance at the end of the year	7,685.52	4,376.42

(viii) **Capital Contribution towards corporate guarantee**

This represent the Capital Contribution towards corporate guarantee

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	281.90	-
Add: Capital Contribution by the Holding Company in the Form of Corporate Guarantee	746.09	281.90
Balance at the end of the year	1,027.99	281.90

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Dhanvarsha Finvest Limited

Standalone Statement of profit and loss for the year ended March 31, 2022

23 Interest income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on loans (at amortised cost)	4,444.27	1,190.08
Interest on deposit with banks (at amortised cost)	98.75	32.06
Other interest income	3.73	0.69
Total	4,546.75	1,222.83

24 Fees and commission income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Income from loan services	151.27	25.67
Income from other services	2,118.89	1,138.19
Total	2,270.16	1,163.86

Revenue from contracts with customers

Below is the revenue from contracts with customers and reconciliation to statement of profit and loss

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Type of Services		
Fee and commission income	2,270.16	1,163.86
Total revenue from contract with customers	2,270.16	1,163.86
Geographical markets		
India	2,270.16	1,163.86
Outside India		
Total revenue from contract with customers	2,270.16	1,163.86
Timing of revenue recognition		
Services transferred at a point in time	2,270.16	1,163.86
Services transferred over time		
Total revenue from contracts with customers	2,270.16	1,163.86

Contract balance

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Trade receivables	1,220.83	210.28
Contract Assets	-	-

The Company does not have any contract assets or liability, hence disclosures related to it has not been presented.

25 Net gain on fair value changes

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On Trading Portfolio		
- Investments	164.67	8.43
- Derivatives	-	-
(ii) Others	-	-
Total Net Gain on Fair Value Changes (B)	164.67	8.43
Fair value changes		
Realised	-	11.17
Unrealised	164.67	(2.74)
Total Net Gain on Fair Value Changes (C)	164.67	8.43

* Fair value changes in this schedule are other than those arising on account of accrued interest income/expense

26 Other income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent income		0.70
Net gain/(loss) on derecognition of property, plant and equipment and investment property		1.12
Gain on foreign currency transactions	-	-
Recovery from written off accounts	5.39	
Miscellaneous income	18.68	44.04
Total	24.07	45.86

BANSAL BANSAL & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited

Standalone Statement of profit and loss for the year ended March 31, 2022

27 Finance costs

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
On Financial liabilities measured at amortised cost		
Interest on borrowings (other than debt securities)	2,122.52	407.57
Interest on debt securities	294.04	12.58
Other interest expense		
Interest on lease liabilities	18.68	2.98
Interest on taxes	-	-
Total	2,435.24	423.13

28 Fees and commission expense

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Commission	72.41	27.40
Total	72.41	27.40

29 Impairment on financial instruments

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loans	(4.35)	33.76
Receivable	16.50	2.57
Bad debts written off	118.08	7.34
Total	130.23	43.67

The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage:

For the year ended March 31, 2022

(Rs. in Lakhs)

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	(28.25)	(76.47)	100.36	-	(4.35)
Receivables	-	-	-	16.50	16.50
Total impairment loss	(28.25)	(76.47)	100.36	16.50	12.15

For the year ended March 31, 2021

(Rs. in Lakhs)

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	(72.94)	23.25	83.46	-	33.76
Receivables	-	-	-	2.57	2.57
Total impairment loss	(72.94)	23.25	83.46	2.57	36.33

DHANVARSHA FINVEST LIMITED

MUMBAI

Dhanvarsha Finvest Limited

Standalone Statement of profit and loss for the year ended March 31, 2022

30 Employee benefits expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	1,289.68	773.99
Gratuity Expenses (Refer Note 38)	19.15	10.57
Contribution to provident and other funds	70.93	35.94
Share Based Payments to employees	(22.45)	150.29
Staff welfare expenses	24.96	10.69
Total	1,382.28	981.48

31 Depreciation, amortisation and impairment

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of property, plant and equipment (Refer Note 12)	302.60	67.37
Amortization of intangible assets (Refer Note 13)	105.40	52.47
Total	408.00	119.84

32 Others expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent, Rates and taxes	72.25	71.40
Repairs and maintenance	5.31	2.39
Energy Costs	17.29	10.99
Communication costs	20.02	10.38
Printing and stationery	20.78	8.09
Advertisement and publicity	55.45	16.64
Director's fees, allowances and expenses	61.46	52.97
Auditor fees and expenses (Refer Note 32.1)	43.28	32.10
Legal and professional charges	461.30	200.61
Insurance	83.29	71.99
Other expenditure:		
- Annual Maintenance Charges	37.59	17.08
- Brokerage	197.97	11.92
- Donation	-	5.15
- GST Input Tax Credit written off	129.82	73.40
- Office Expenses	31.64	20.60
- Processing fee on co-lending business	23.72	15.58
- Software Licences Expenses	20.95	14.34
- Travel & Conveyance	98.41	18.69
- Website & Server Maintenance Expenses	98.45	30.83
- Miscellaneous Expenditure	37.49	32.72
Total	1,499.80	596.13

32.1 Auditor fees and expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As Auditor:		
- Statutory audit fees	12.00	12.00
- Limited review fees	8.00	8.00
- Tax audit fees	2.00	2.00
- Reimbursement of expenses	0.38	0.75
In other capacity:		
- Certification	20.90	11.35
Total	43.28	32.10

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

33 Income tax expense

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax		
Current tax on profits for the period	285.25	71.59
Adjustments for current tax of prior periods	-	1.32
Mat credit entitlement (Refer Note11)	-	-
Total Current Tax	285.25	72.91
Deferred tax expense (Income)		
Decrease in deferred tax assets (Refer Note11)	45.23	32.15
Total deferred tax expense/(benefit)	45.23	32.15
Total tax expense	330.48	105.06

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at indian corporate tax rate.

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2022 and year ended March 31, 2021 is, as follows.

Reconciliation of effective tax rate:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before income tax expense	1,067.69	173.51
Enacted income tax rate in India applicable to the Company 27.82% (March 31, 2021 - 27.82%)	297.03	48.27
Tax effect of:		
Permanent Disallowances	7.74	7.78
Deferred tax assets not created on OCI	(1.85)	0.54
Long term capital gain on sale of property	-	-
Difference in tax rates for short term capital gains	(18.27)	(1.24)
Others	45.83	48.38
Tax in respect of earlier period	-	1.32
Total tax expense	330.48	105.06
Effective tax rate	30.95%	60.55%

Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

34 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit attributable to the equity holders of the Company (A)	757.21	66.45
Weighted Average number of equity shares for calculating Basic EPS (in lakhs) (B)	7,75,09,164	7,33,38,540
Adjustment for calculation of Diluted EPS on account of Diluted potential ordinary shares (C)	2,11,84,845.42	2,35,82,075
Weighted Average number of equity shares for calculating Diluted EPS (in lakhs) (D= B+C)	9,86,94,009	9,69,20,615
Basic earnings per equity shares in Rs (face value of Rs. 2/- per share) (A) / (B)	0.98	0.09
Diluted earnings per equity shares in Rs (face value of Rs. 2/- per share) (A) / (D)	0.80	0.07

35 Contingent liabilities & commitments

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Claims against the Company not acknowledged as debts		
Income tax matters under dispute	85.99	85.99
Commitments		
a) Capital commitments	1.86	-
(Estimated amount of contracts remaining to be executed on capital account and not provided for)	-	-
b) Loan sanction but undrawn	398.95	361.01
Total Commitments	400.81	361.01

36 Derivatives
The Company has no transactions / exposure in derivatives in the current and previous year. The Company has no unhedged foreign currency exposure as on March 31, 2022: Nil (March 31, 2021: Nil).

37 Uncertainties relating to the Global Health Pandemic from COVID-19 ("Covid-19")
The Company had granted moratorium upto six months on the payment of instalments falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers based on the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and May 23, 2020 relating to 'COVID-19 - Regulatory Package' and RBI guidelines on EMI moratorium dated April 17, 2020. Further, period for which moratorium was granted has not been considered for computing days past due (DPD) as on March 31, 2021. Extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory package of the RBI and DPD freeze for such period by itself is not considered to result in significant increase in credit risk as per Ind AS 109 for staging of accounts. The Company continued to recognise interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The COVID-19 pandemic has significantly affected various sectors of Indian economy. The prolonged lockdown imposed by the government due to Covid-19 pandemic has affected the Company's business operations. During the year, the Company has scaled up the growth in the low risky sector. Further, there has been good collection efficiencies post completion of the moratorium period and none of the customers approached for one time restructuring benefit allowed under the Resolution Framework by Reserve Bank of India dated August 6, 2020 for COVID related stress to the borrowers. Basis the abovementioned factors, the Company estimates that no additional Expected Credit Loss (ECL) provision on Loans is required on account of COVID – 19 during the quarter and year ended March 31, 2022. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

BANSAL & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

38 Employees benefits

(a) **Compensated absences**

The compensated absences charge for the year ended March 31, 2022 of Rs 25.55 lakhs (March 31, 2021 Rs 25.51 lakhs) has been charged in the Statement of Profit and Loss

The liability for compensated absences based on actuarial valuation amounting as at the year ended March 31, 2022 is Rs. 50.37 lakhs (March 31, 2021 Rs. 34.64 lakhs)

(b) ***Post employment obligations***

i. Defined contribution plans

The Company has classified the various benefits provided to employees as under:

a. Provident Fund

b. Employees' Pension Scheme 1995

c. Employee State Insurance Scheme

The Company makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. These funds are recognized by the Income Tax authorities.

The expense recognised during the period towards defined contribution plan:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution to Provident Fund	45.32	25.73
Contribution to Employees' Pension Scheme 1995	23.81	12.11
Contribution to Employee State Insurance Scheme	1.74	1.05
Total	70.87	38.89

ii. Defined benefit plans

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs 20 lakhs. The gratuity plan is a funded plan.

The Company has a defined benefit plan in India (Funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The Fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year, there are no plan amendments, curtailments and settlements.

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

Dhanvarsha Finvest Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

(Rs. in Lakhs)

Defined benefit plans	For the year ended March 31, 2022	For the year ended March 31, 2021
	Gratuity (funded)	Gratuity (funded)
Expenses recognised in statement of profit and loss during the year:		
Current service cost	10.44	10.15
Past service cost	-	-
Expected return on plan assets	-	-
Liability Transferred Out/ Divestments	7.82	-
Net interest cost / (income) on the net defined benefit liability / (asset)	0.61	0.42
Total expenses	18.87	10.57
Expenses recognised in other comprehensive income		
Actuarial (gains) / losses due to demographic assumption changes	0.01	-
Actuarial (gains) / losses due to financial assumption changes		
Actuarial (gains)/ losses due to experience on defined benefit obligations	6.62	(2.10)
Return on plan assets excluding interest income	0.05	0.14
Total expenses	6.68	(1.96)
Net asset / (Liability) recognised as at balance sheet date:		
Present value of defined benefit obligation at the end of the period	(42.53)	(38.72)
Fair value of plan assets	5.86	5.86
Net (Liability)/Asset Recognized in the Balance Sheet	(36.67)	(32.86)
Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	38.72	12.93
Current service cost	10.44	10.15
Past service cost	-	-
Liability Transferred Out/ Divestments	7.82	(5.01)
Interest cost	0.93	0.78
Actuarial (gains) / loss	6.69	(2.10)
Benefits paid	-	-
Present value of defined benefit obligation at the end of the year	42.53	38.72
Movements in fair value of the plan assets		
Opening fair value of plan assets	5.86	5.67
Interest income	0.33	0.33
Expected return on plan assets	-	-
Expected returns on plan assets excluding interest income	(0.05)	(0.14)
Actuarial (gains) / loss on plan assets	-	-
Contribution from employer	-	-
Benefits paid	-	-
Closing fair value of the plan asset	6.13	5.86
Maturity profile of defined benefit obligation		
Funding arrangements and funding policy		
The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.		
The average outstanding term of the obligations (years) as at valuation date is 6 years		
Expected cash flows over the next (valued on undiscounted basis):		
1st Following Year	2.25	0.03
2nd Following Year	3.03	1.04
3rd Following Year	3.76	1.51
4th Following Year	5.86	1.89
5th Following Year	6.98	2.58
Sum of Years 6 To 10	22.55	8.79
Sum of Years 11 and above	20.81	10.51

BANSAL & COMPANY MUMBAI

DHANVARSHA FINVEST LIMITED

(Rs. in Lakhs)

Quantitative sensitivity analysis for significant assumptions is as below:		
Increase / (decrease) on present value of defined benefit obligation at the end of the year	42.52	16.72
(i) +1% increase in discount rate	(2.41)	(1.11)
(ii) -1% decrease in discount rate	2.67	1.25
(iii) +1% increase in rate of salary increase	2.61	1.12
(iv) -1% decrease in rate of salary increase	(2.42)	(1.05)
(v) +1% increase in rate of Employee Turnover	(1.03)	(0.63)
(vi) -1% decrease in rate of Employee Turnover	1.08	0.67

Sensitivity analysis method

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and Company is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance Companies have to follow regulatory guidelines.

Composition of plan assets

Qualifying policy with Tata AIA Life Insurance Company Limited	100%	100%

Asset liability matching strategies

The Company contributes to the insurance policy based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.

Actuarial assumptions:	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Expected Return on Plan Assets	6.09%	5.58%
2. Discount rate	6.09%	5.58%
3. Expected rate of salary increase	6.50%	10.00%
4. Rate of Employee Turnover	18.00%	18.00%
5. Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) (Ultimate)

Notes:

a) The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The Company expects to make a contribution of Rs.35.50 lakhs to the defined benefit plans (gratuity - funded) during the next financial year.

d) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

39 Segment Reporting

The Company has primarily two reportable business segments namely Fund based Activities and Advisory services for the quarter and period ended March 31, 2022. In accordance with Ind AS 108 - Operating Segments, the Company has disclosed the segment information in the consolidated financial statements of the Company.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

40 **Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

(Rs. in Lakhs)

Assets	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financials Assets						
Cash and cash equivalents	5,758.78	-	5,758.78	3,142.77		3,142.77
Bank balances other than cash and cash equivalents	896.00	1,128.03	2,024.03	935.73	594.64	1,530.37
Receivables						-
(i)Trade Receivables	1,228.63	-	1,228.63	210.28	-	210.28
(ii)Other Receivables	46.96	-	46.96	46.96	-	46.96
Loans*	19,829.58	9,076.08	28,905.66	4,145.61	5,824.58	9,970.19
Investments	2,503.70	2,585.77	5,089.47	1,103.25	715.42	1,818.67
Other Financials Assets	569.95	-	569.95	97.56	-	97.56
Non Financials Assets						
Current Tax Assets (Net)	-	173.19	173.19	-	174.49	174.49
Deferred Tax Assets (Net)	-	72.57	72.57	-	115.95	115.95
Investment Property						
Property,Plant and Equipment	-	737.84	737.84	-	353.99	353.99
Right of use assets	-	637.38	637.38	-	518.82	518.82
Capital work -in- progress	-	194.23	194.23	-	-	-
Intangible assets under development	-	926.84	926.84	-	124.93	124.93
Other intangible assets	-	386.37	386.37	-	176.53	176.53
Other non-financials assets	-	466.94	466.94	176.04	-	176.04
Non-current assets and disposal group held for sale	-	-	-	-	-	-
Total Assets	30,833.60	16,385.24	47,218.84	9,858.19	8,599.36	18,457.56

(Rs. in Lakhs)

Liabilities	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Liabilities						
Payables						
(i)Trade payables	357.92		357.92	162.68	-	162.68
(ii)Other payables	130.00		130.00	65.18	-	65.18
Debt Securities	-	3,821.46	3,821.46	-	601.98	601.98
Borrowings (Other than Debt Securities)	12,100.74	12,725.45	24,826.19	315.10	7,135.75	7,450.85
Other financial liabilities	218.72	-	218.72	44.69	-	44.69
Non-Financial Liabilities						
Current tax liabilities(Net)	36.85	-	36.85	36.85	-	36.85
Provisions	8.21	87.04	95.25	23.37	25.57	48.94
Other non-financial liabilities	338.33	-	338.33	110.13	-	110.13
Total Liabilities	13,190.77	16,633.95	29,824.72	757.99	7,763.30	8,521.30
Net	17,642.83	(248.71)	17,394.12	9,100.19	836.07	9,936.26

41 Capital Management

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares capital securities. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022. The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio is as follows.

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Debt	28,647.65	8,052.83
Less: cash and cash equivalents	(5,758.78)	(3,142.77)
Less: Bank balances other than cash and cash equivalents	(2,024.09)	(1,530.37)
Adjusted net debt	20,864.83	3,379.68
Total Equity	17,334.12	9,938.25
Adjusted net debt to adjusted equity ratio	1.20	0.34

42 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

43 Change in liabilities arising from financing activities

(Rs. in Lakhs)

Particulars	April 1, 2021	Cash Flows	Changes in fair values	Exchange difference	Other**	As at March 31, 2022
Debt securities	601.98	9,682.33	-	-	(6,963.43)	3,321.46
Borrowings (other than debt securities)*	7,382.11	18,673.37	-	-	(1,406.77)	24,648.70
Lease Liabilities	68.73	(131.88)	-	-	226.64	177.49
Deposits			-	-	-	
Total liabilities from financing activities	8,052.82	24,144.38	-	-	(7,649.64)	28,647.65

Particulars	April 1, 2020	Cash Flows	Changes in fair values	Exchange difference	Other**	As at March 31, 2021
Debt securities	-	5,000.00	-	-	(4,398.02)	601.98
Borrowings (other than debt securities)*	1,445.22	7,387.29	-	-	(1,450.40)	7,382.11
Lease Liabilities	115.53	(14.60)	-	-	(32.20)	68.73
Deposits	-	-	-	-	-	-
Total liabilities from financing activities	1,560.75	12,372.69	-	-	(5,880.62)	8,052.82

*Other than lease liabilities

**Other column includes creation of lease liabilities, Ind AS Adjustments & adjustments on account of Capital Contribution by the Holding Company in the Form of Corporate Guarantee.

BANSAL BANSAL & COMPANY * CHARTERED ACCOUNTANTS * MUMBAI

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

44 Related party disclosures

A Names of related parties with whom transactions have taken place & description of relationship:

Description of relationship	Name of the related party
Parent Company	M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)
Subsidiary	M/s. DFL Technologies Private Limited (from October 07, 2019) (Wholly owned Subsidiary of Dhanvarsha Finvest Limited)
Fellow Subsidiary:	Wilson Financial Services Private Limited (Wholly owned Subsidiary of Wilson Holdings Private Limited)
	Wilson Investment Advisers Private Limited
Key Management Personnel (KMP)	Mr. Karan Neale Desai, Whole Time Director and Chief Business Officer***
	Mr. Ashish Sharad Dalal, Non-Executive Director (Upto November 10, 2020)
	Mr. Nirmal Vinod Momaya, Independent Director
	Mr. Krishpal Tarachand Raghuvanshi, Independent Director
	Mr. Rakesh [illegible] Sethi, Independent Director
	Mrs. [illegible] Kakkar, Independent Director (Upto October 30, 2021)
	Mr. Rajiv Prem Kapoor, Non-Executive Director*
	Mr. Rohanjeet Singh Juneja, Managing Director and Chief Executive Officer**
	Mrs. Minaxi Kishore Mehta, Non-Executive Non-Independent Director (w.e.f. June 10, 2021)
	Mr. Atwood Porter Collins, Non-Executive Non-Independent Director (w.e.f. July 31, 2021)
	Ms Abha Kapoor, Independent Director (w.e.f. March 30, 2022)
	Mr. Narendra Kumar Taler, Chief Financial Officer (Upto July 31, 2020)
	Mr. M Vijay Mohan Reddy, Company Secretary (Upto July 31, 2020)
	Mr. Sanjay Kukreja, Chief Financial Officer (w.e.f. August 1, 2020)
	Mr. Fredrick Pinto, Company Secretary (Upto September 30, 2021)
	Mr. Lalit Mohan Chendvankar, Company Secretary (w.e.f. October 1, 2021)
Other Related Parties	Mrs. Minaxi Mehta (Promoter of Wilson Holdings Private Limited)
	Mr. Nimir Kishore Mehta (Relative of Promoter of Wilson Holdings Private Limited)
	Wilson Investment Adviser Pvt Ltd (Promoter of Parent Company Having Significant Influence)
	Prolific Ventures Pvt Ltd (Promoter of Parent Company Having Significant Influence)
	Everfit Wellness Private Limited (Director Having Significant Influence)

*Change in designation of Mr. Rajiv Kapoor from Independent Director to Non-Executive Non-Independent Director with effect from March 30, 2022

** Change in designation of Mr. Rohanjeet Singh Juneja from Joint Managing Director to Managing Director and Chief Executive Officer with effect from March 12, 2022

***Change in designation of Mr. Karan Neale Desai from Joint Managing Director to Whole Time Director and Chief Business Officer with effect from March 12, 2022

B Details of related party transactions:

(Rs. in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2022	For the year ended March 31, 2021
Parent Company M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)	Interest expense	-	93.95
	Reimbursement of expenses	-	28.13
	Loans Taken	-	875.00
	Loans repaid	-	1,905.00
	Interest Income	0.12	4.21
	Loans Given	-	305.00
	Loans repayment received	-	305.00
	Issue of share warrants	-	125.00
	Conversion of share warrants into Equity	-	500.00
	Conversion of UCCD into Equity	2,438.71	-
	Issue of Equity	-	1,030.00
	Issue of UCCD	-	4,500.00
	Capital Contribution towards corporate gaurantee	705.77	281.92
Subsidairy M/s. DFL Technologies Private Limited	Rent income	-	0.70
	Investments (including ESOP issued to subsidiary's employees)	1,870.35	710.42
	Sale of Fixed assets	-	31.39
	Sale of Leasehold Improvements	-	22.00
	Sale of Intangible assets	-	55.72
	Sale of Intangible assets under developments	-	58.24
	Professional Fees Income	120.00	-
	Interest Income	11.34	0.63
	Loans Given	340.00	45.00
	Loans repayment received	250.00	45.00
	DSA Commission Expenses	17.32	9.04
	Rent paid	1.80	0.75
	Office Expenses	71.35	4.33
	Reimbursement of expenses	28.15	102.07

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

(Rs. in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2022	For the year ended March 31, 2021
Fellow Subsidiary			
Wilson Financial Services Private Limited (from July 31, 2018) (Wholly owned Subsidiary of Wilson Holdings Private Limited)	Fees Paid	31.59	15.00
Wilson Investment Adviser Pvt Ltd	Professional Fees paid	23.30	-
Key Management Personnel (KMP)			
Mr. Karan Neale Desa	Remuneration and Short-termemployee benefits*	66.58	53.20
	Reimbursement of expenses	8.63	7.19
	Issue of share warrants	-	100.00
	share-based payment	-	10.90
Mr. Narendra Kumar Tater	Remuneration and Short-termemployee benefits*	-	22.59
	Reimbursement of expenses	-	1.07
Mr. Vijay Mohan Reddy	Remuneration and Short-termemployee benefits*	-	14.69
	Reimbursement of expenses	-	0.13
Mr. Rohanjeet Singh Juneja	Remuneration and Short-termemployee benefits*	84.84	52.59
	Reimbursement of expenses	22.78	7.86
	Issue of share warrants	-	100.00
	share-based payment	23.23	-
Mr. Sanjay Kukreja	Remuneration and Short-termemployee benefits*	49.00	31.45
	Reimbursement of expenses	6.79	1.50
Mr. Fredrick Pinto	Remuneration and Short-termemployee benefits*	11.97	14.15
	Reimbursement of expenses	2.65	2.96
Mr. Lalit Mohan Chendvankar	Remuneration and Short-termemployee benefits*	43.92	-
	Reimbursement of expenses	4.09	-
Mr. Ashish Sharad Dalal	Sitting fees and commission	-	6.66
Mr. Nirmal Vinod Momaya	Sitting fees and commission	11.65	10.91
Mr. Krishipal Tarachand Raghuvanshi	Sitting fees and commission	9.05	11.41
Mrs. Manjari Kacker	Sitting fees and commission	6.80	12.66
Mr. Rakesh Inderjeet Sethi	Sitting fees and commission	10.05	10.18
Mr. Rajiv Kapoor	Sitting fees and commission	11.05	11.16
Mrs. Minaxi Kishore Mehta	Sitting fees and commission	8.30	-
Mr. Atwood Porter Collins	Sitting fees and commission	5.30	-
Ms Abha Kapoor	Sitting fees and commission	1.30	-
Other Related Parties			
Mrs. Minaxi Mehta	Issue of share warrants	-	125.00
Mr. Nimir Kishore Mehta	Rent paid	3.23	22.58
	Reimbursement of expenses	0.53	0.57
	Profession fees paid	0.00	0.00
Prolific Ventures Pvt Ltd	Rent paid	25.32	25.68
	Reimbursement of expenses	5.12	0.52
	Security deposit	21.92	-
	ROU Asset	78.89	464.83
Exerfit Wellness Private Limited	Staff Welfare expenses	2.87	0.20

DHANVARSHA FINVEST LIMITED

BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

C. **Details of balances outstanding for related party transactions:** (Rs. in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2022	For the year ended March 31, 2021
Parent Company			
M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private	Short Term borrowing taken	-	0.12
	Equity Share Capital	6,030.82	3,592.12
	Share Warrants	125.00	125.00
	UCCD	2,061.29	4,500.00
	Capital Contribution towards corporate gaurantee	1,047.69	281.92
Subsidiary			
M/s. DFL Technologies Private Limited	Trade Receivable	97.20	-
	Other Receivable	-	46.96
	Reimbursement of expenses	5.91	4.36
	Trade Payables	10.59	11.19
	Investments (including ESOP issued to subsidiary's employees)	2,585.77	715.42
	Loan Receivable	93.48	-
Fellow Subsidiary			
Wilson Investment Adviser Pvt. Ltd	Trade Payables	6.48	-
Key Management Personnel (KMP)			
Mr. Ashish Sharad Dalal	Sitting fees and commission	-	0.58
Mr. Nirmal Vinod Momaya	Sitting fees and commission	1.17	0.58
Mr. Krishipal Tarachand Raghuvansh	Sitting fees and commission	1.17	0.58
Mrs. Manjari Kacker	Sitting fees and commission	1.17	0.58
Mr. Rakesh Inderjeet Sethi	Sitting fees and commission	1.17	0.61
Mr. Rajiv Kapoor	Sitting fees and commission	1.17	0.61
Mr. Atwood Porter Collins	Sitting fees and commission	1.93	-
Ms. Abha Kapoor	Sitting fees and commission	1.17	-
Mr. Karan Neale Desai	Reimbursement of expenses	0.12	-
	Equity Share Capital	3.53	3.53
	Share Warrants	100.00	100.00
Mr. Rohanjeet Singh Juneja	Reimbursement of expenses	0.31	-
	Share Warrants	100.00	100.00
Mr. Sanjay Kukreja	Reimbursement of expenses	-	0.24
Other Related Parties			
Mrs. Mrugee Mehta	Share Warrants	125.00	125.00
Mr. Nimir Kishore Mehta	Trade Payables	0.19	0.82
Prolific Ventures Pvt Ltd	Trade Payables	1.67	3.36
	Security deposit	38.82	6.60

*As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above

D. The options granted and outstanding for the key managerial personnel as of March 31, 2022 and March 31, 2021 is as provided below:

Name of the KMP	Grant Date	Expiry date	Exercise Price	Shares outstanding	
				Mar-22	Mar-21
Mr. Karan Neale Desai	05-11-2018	04-11-2026	5.00	18,35,700	16,35,700
Mr. Karan Neale Desai	17-12-2019	16-12-2026	10.00	11,32,555	11,82,555
Mr. Rohanjeet Singh Juneja	17-12-2019	16-12-2026	10.00	29,50,000	30,00,000
Mr. Karan Neale Desai	31-07-2020	01-08-2028	10.00	3,75,000	3,75,000
Mr. Rohanjeet Singh Juneja	31-07-2020	01-08-2028	10.00	3,75,000	3,75,000
Total				64,18,255	65,68,255

E. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

45 Fair Value Measurement

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs. In Lakhs)

Financial Assets and Liabilities as at March 31, 2022	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	5,758.78	5,758.78	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	2,024.03	2,024.03	-	-	-	-
Receivables	-	-			-	-	-	-
Trade receivables	-	-	1,228.63	1,228.63	-	-	-	-
Other receivables	-	-	46.96	46.96	-	-	-	-
Loans	-	-	28,905.66	28,905.66	-	-	-	-
Investments	2,503.70	-	2,585.77	5,089.47	2,503.70	-	-	2,503.70
Other financials assets	-	-	569.95	569.95	-	-	-	-
Total	2,503.70	-	41,119.79	43,623.48	2,503.70	-	-	2,503.70
Financial Liabilities								
Payables								
Trade payables	-	-	357.92	357.92	-	-	-	-
Other payables	-	-	130.00	130.00	-	-	-	-
Debt Securities	-	-	3,821.48	3,821.48	-	-	-	-
Borrowings (Other than debt securities)	-	-	24,826.19	24,826.19	-	-	-	-
Other financial liabilities	-	-	218.72	218.72	-	-	-	-
Total	-	-	29,354.29	29,354.29	-	-	-	-

(Rs. In Lakhs)

Financial Assets and Liabilities as at March 31, 2021	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	3,142.77	3,142.77	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	1,530.37	1,530.37	-	-	-	-
Receivables								
Trade receivables	-	-	210.28	210.28	-	-	-	-
Other receivables	-	-	46.96	46.96	-	-	-	-
Loans	-	-	9,970.19	9,970.19	-	-	-	-
Investments	1,103.25	-	715.42	1,818.67	1,103.25	-	-	1,103.25
Other financials assets	-	-	97.56	97.56	-	-	-	-
Total	1,103.25	-	15,713.54	16,816.79	1,103.25	-	-	1,103.25
Financial Liabilities								
Payables								
Trade payables	-	-	162.66	162.66	-	-	-	-
Other payables	-	-	66.18	66.18	-	-	-	-
Debt Securities	-	-	601.98	601.98	-	-	-	-
Borrowings (Other than debt securities)	-	-	7,450.85	7,450.85	-	-	-	-
Other financial liabilities	-	-	44.69	44.69	-	-	-	-
Total	-	-	8,326.37	8,326.37	-	-	-	-

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a. The carrying amounts of trade receivables, trade payables, other receivables, cash and cash equivalent including other bank balances, other financials assets and other financial liabilities, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b. Financial instruments with fixed interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances if required, are taken to account for expected losses of these instruments. Thus, Amortised cost shown in A, above, is after adjusting ECL amount.

c. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Company-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

C. Valuation techniques used to determine fair value

Investments in Mutual Funds

The fair values of investments in mutual funds is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

D. Transfers between Level 1 and Level 2 and between Level 1 and Level 3

There were no transfers between level 1 and 2 and between Level 1 and Level 3 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

46 Financial Risk Management

The Company has in place comprehensive risk management policy in order to identify, measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Company. Together they help in achieving the business goals and objectives consistent with the Company's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Company's financial risk management is an integral part of how to plan and execute its business strategies.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk
- Capital related risk

(a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Outstanding for a period not exceeding six months	1,188.23	112.48
Outstanding for a period exceeding six months	58.97	85.36
Gross Trade Receivables	1,247.21	203.84
Less: Impairment Loss	(8.67)	(42.57)
Net Trade Receivables	1,238.63	160.28

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and the Company's historical experience for customers. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

ii) Loans and financial assets measured at amortized cost

The ageing analysis of loans (gross of provisions) has been considered from the date the contractual payment falls due:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
0-30 Days Past Due		
Secured	10,511.87	4,843.51
Unsecured	14,654.54	3,963.54
30-90 Days Past Due		
Secured	3,061.57	815.40
Unsecured	542.43	156.29
More than 90 Days Past Due		
Secured	561.44	357.84
Unsecured	855.20	90.85
Total	30,373.15	10,443.33

The Company reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the Company is into single retail loan business, there is no significant credit risk on any individual customer that may impact Company adversely, and hence the Company has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorizes loan assets into stages primarily based on the Months Past Due status.

Stage 1 : 0-30 days past due

Stage 2 : 31-90 days past due

Stage 3 : More than 90 days past due

(i) Definition of default

The Company considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

(ii) Exposure at default

"Exposure at Default" (EAD) represents the gross carrying amount of the assets subject to impairment calculation.

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

(iii) Estimations and assumptions considered in the ECL model

Measurement of Expected Credit Losses

The Company has applied a three-stage approach to measure expected credit losses (ECL) on debt instruments accounted for at amortised cost. Assets migrate through following three stages based on the changes in credit quality since initial recognition:

(a) Stage 1: 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.

(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

At each reporting date, the Company assesses whether there has been a significant increase in credit risk of its financial assets since initial recognition by comparing the risk of default occurring over the expected life of the asset. In determining whether credit risk has increased significantly since initial recognition, the Company uses information that is relevant and available without undue cost or effort. This includes the Company's internal credit rating grading system, external risk ratings and forward-looking information to assess deterioration in credit quality of a financial asset.

The Company assesses whether the credit risk on a financial asset has increased significantly on an individual and collective basis. For the purpose of collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account accounting instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower, collateral type, and other relevant factors. For the purpose of individual evaluation of impairment factors such as internally collected data on customer payment record, utilization of granted credit limits and information obtained during the periodic review of customer records such as audited financial statements, budgets and projections are considered.

In determining whether the credit risk on a financial asset has increased significantly, the Company considers the change in the risk of a default occurring since initial recognition. The default definition used for such assessment is consistent with that used for internal credit risk management purposes.

The Company considers defaulted assets as those which are contractually past due 90 days, other than those assets where there is empirical evidence to the contrary. Financial assets which are contractually past due 30 days are classified under Stage 2 - life time ECL, not credit impaired, barring those where there is empirical evidence to the contrary. The Company considers financial instruments (typically the retail loans) to have low credit risk if they are rated internally or externally within the investment grade. An asset migrates down the ECL stage based on the change in the risk of a default occurring since initial recognition. If in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loan loss provision stage reverses to 12-months ECL from lifetime ECL.

The Company measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Company considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the Company's internally developed statistical models and other historical data.

Macroeconomic Scenarios

In addition, the Company uses reasonable and supportable information on future economic conditions including macroeconomic factors such as CPI and repo rate. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly.

(iv) Policy for write off of Loan assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets under "Other Income " in Statement of profit and loss.

An analysis of changes in the gross carrying amount and the corresponding ECLs as follows :

Gross exposure reconciliation

(Rs. in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1, 2020	2,995.96	500.98	226.87	3,723.81
New loans originated during the year	6,988.84	273.20	0.24	7,262.28
Transfers to Stage 1	0.79	(0.17)	(0.62)	-
Transfers to Stage 2	(553.94)	553.94	-	-
Transfers to Stage 3	(35.35)	(174.35)	209.70	-
Write-offs	(0.59)	-	(6.79)	(7.38)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(568.49)	18.09	13.89	(536.51)
Gross carrying amount balance as at March 31, 2021	8,827.35	1,171.69	443.49	10,442.23
New loans originated during the year	21,589.10	2,302.20	256.98	24,148.28
Transfers to Stage 1	87.32	-	-	87.32
Transfers to Stage 2	(570.16)	417.12	-	(153.04)
Transfers to Stage 3	(146.34)	-	212.06	65.72
Write-offs	-	-	(116.06)	(116.06)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(4,880.40)	(329.81)	121.18	(5,089.03)
Gross carrying amount balance as at March 31, 2022	24,906.91	3,548.20	917.64	29,373.35

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Reconciliation of ECL balance

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL Allowance- Opening Balance as at April 1, 2020	166.20	151.36	120.73	438.29
New loans originated during the year	59.29	23.84	0.19	83.32
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(61.80)	61.80	-	-
Transfers to Stage 3	(16.27)	(77.90)	94.17	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(31.85)	(5.80)	(7.50)	(45.15)
Amounts Written off	(0.01)	-	(3.40)	(3.41)
ECL Allowance- Closing Balances as on March 31, 2021	93.26	174.59	204.19	472.04
New loans originated during the year	43.84	9.32	189.28	242.44
Transfers to Stage 1	8.14	-	-	8.14
Transfers to Stage 2	(24.99)	(1.76)	-	(26.75)
Transfers to Stage 3	(31.03)	32.49	17.55	19.01
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(34.21)	(116.50)	(106.07)	(256.78)
Amounts Written off	-	-	-	-
ECL Allowance- Closing Balances as on March 31, 2022	55.01	98.14	304.55	457.70

iii. Cash and bank balances

The Company held cash and cash equivalent and other bank balance of Rs. 7782.61 lakhs at March 31, 2022 (March 31, 2021: Rs. 4671.14 lakhs). The same are held with bank and financial institution counterparties with good credit rating. Also, Company invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the Company to credit risk.

iv. Others

Apart from trade receivables, loans, cash and bank balances and investment measured at amortised cost, the Company has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial assets and liabilities

The table below analyses the company's financial liabilities and financial assets into relevant maturity groupings based on the remaining period as at the reporting date to contractual maturity date. The amount disclosed in the below table are the contractual un-discounted cash flows and exclude the impact of future interest payments.

Contractual maturities of financial assets March 31, 2022	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	5,756.78	-	-	5,756.78
Bank balances other than cash and cash equivalents	2,007.00	-	-	2,007.00
Receivables	-	-	-	
Trade receivables	1,247.21	-	-	1,247.21
Other receivables	46.96	-	-	46.96
Loans	18,829.28	6,116.73	3,427.34	28,373.35
Investments	2,503.70	-	2,585.77	5,089.47
Other Financials Assets	369.95	-	-	369.95
Total	31,963.17	6,116.73	6,012.81	44,092.71
Contractual maturities of financial liabilities March 31, 2022	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	357.92	-	-	357.92
Other payables	130.00	-	-	130.00
Debt Securities	126.98	3,319.49	375.00	3,821.46
Borrowings (other than debt securities)	-	-	24,826.19	24,826.19
Other financial liabilities	218.72	-	-	218.72
Total	833.61	3,319.49	25,201.19	29,354.29

(Rs. in Lakhs)

Contractual maturities of financial assets March 31, 2021	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	3,142.77	-	-	3,142.77
Bank balances other than cash and cash equivalents	928.95	82.50	490.00	1,501.45
Receivables				
Trade receivables	212.85	-	-	212.85
Other receivables	46.96	-	-	46.96
Loans	4,145.61	3,179.00	3,117.61	10,442.22
Investments	1,103.25	-	715.42	1,818.67
Other financials assets	97.56	-	-	97.56
Total	9,677.95	3,261.50	4,323.03	17,262.48
Contractual maturities of financial liabilities March 31, 2021	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	162.68	-	-	162.68
Other payables	147.89	-	-	147.89
Debt Securities	-	505.00	-	505.00
Borrowings (Other than Debt Securities)	1,156.42	4,749.16	1,960.12	7,865.69
Other financial liabilities	44.69	-	-	44.69
Total	1,511.68	5,254.16	1,960.12	8,725.96

(Rs. in Lakhs)

Contractual maturities of financial assets April 1, 2020	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	109.52	-	-	109.52
Bank balances other than cash and cash equivalents	168.55	-	-	168.55
Receivables				
Trade receivables	117.84	-	-	117.84
Other receivables	-	-	-	-
Loans	616.91	901.88	2,210.17	3,728.96
Investments	128.41	-	5.00	133.41
Other financials assets	334.52	9.45	0.19	343.16
Total	1,535.55	910.33	2,215.36	4,661.24
Contractual maturities of financial liabilities April 1, 2020	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	34.77	-	-	34.77
Other payables	-	-	-	-
Borrowings (Other than Debt Securities)	1,092.48	[illegible]	182.71	1,425.19
Other financial liabilities	36.26	-	-	36.26
Total	1,163.49	[illegible]	182.71	1,496.16

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

(C) Market Risk
Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company's exposure to, and management of, these risks is explained below.

(i) Foreign currency risk
Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company caters mainly to the Indian Market. Most of the transactions are denominated in the Company's functional currency i.e. Rupees. Hence the Company is not materially exposed to Foreign Currency Risk.

(ii) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at floating interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure
The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed rate borrowings	25,000.00	7,000.76
Floating rate borrowings	[illegible]	217.30

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

The interest rate profile of the Company's interest bearing financial instruments is as follows:

Particulars	For the year ended March 31, 2022	
	100bps increase	100bps decrease
Financial Liability		
Variable rate borrowings		
Floating Rate Borrowings	-	-

(iii) Price Risk
The Company's exposure to mutual fund is exposed to price risk and classified in the balance sheet at fair value through profit or loss. 100 bps increase in Net Assets Value (NAV) would increase profit before tax by approximately Rs. 35.06 lakhs (March 31, 2021: Rs. 11.03 lakhs). A similar percentage decrease would have resulted equivalent opposite impact.

(C) Climate related risk

During the financial year March 31, 2022 the Board have updated extensively on climate change related risks through presentations at the board meeting, and they have been assessed that the climate change not affecting significantly the company's operations in future.

47 **Disclosure in notes to Financial statements as required under paragraph 2 (a) of RBI Notification No RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020**

For the year ended March 31, 2022 (Rs. in Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind As 109	Net Carrying Amount	Provisions required as per IRACP norms *	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	24,906.51	65.01	24,841.50	62.74	2.27
	Stage 2	3,544.41	97.97	3,446.44	8.91	89.07
	Stage 3	-	-	-	-	-
Subtotal		28,450.92	162.98	28,287.94	71.65	91.34
Non-Performing Assets (NPA)						
Substandard	Stage 2	4.79	0.16	4.63	1.17	(1.01)
Substandard	Stage 3	492.04	239.68	252.36	117.60	122.08
Doubtful	Stage 3	425.60	64.87	360.73	155.07	(90.20)
Subtotal for NPA		922.43	304.71	617.72	273.84	30.87
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind as 109 but not covered under current income recognition, asset classification and provisioning (IRACP) norms	Stage 1	-	-	-	-	-
Subtotal						
Total	**Stage 1**	24,906.51	65.01	24,841.50	62.74	2.27
	Stage 2	3,549.20	98.13	3,451.07	10.08	88.06
	Stage 3	917.64	304.55	613.09	272.67	31.88
	Total	29,373.35	467.69	28,905.66	345.49	122.20

For the year ended March 31, 2021 (Rs. in Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind As 109	Net Carrying Amount	Provisions required as per IRACP norms *	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	8,827.05	93.26	8,733.79	22.37	70.89
	Stage 2	1,171.69	174.59	997.10	2.77	171.82
	Stage 3	133.25	47.36	85.89	0.30	47.06
Subtotal		10,131.99	315.21	9,816.78	25.44	289.77
Non-Performing Assets						
Substandard	Stage 2	224.75	111.66	113.09	21.77	89.89
	Stage 3	85.49	45.17	40.32	18.07	27.10
Subtotal		310.24	156.83	153.41	39.84	116.99
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind as 109 but not covered under current income recognition, asset classification and provisioning (IRACP) norms	Stage 1	-	-	-	-	-
Subtotal						
Total	**Stage 1**	8,827.05	93.26	8,733.79	22.37	70.89
	Stage 2	1,171.69	174.59	997.10	2.77	171.82
	Stage 3	440.49	204.15	239.30	40.14	164.04
	Total	10,441.23	472.04	9,970.19	65.28	406.76

* In the case of provision on standard advances in previous years, the Company had adopted a more stringent policy of maintaining provision on specified unsecured standard loans and advances, at rates that are higher than those prescribed by RBI (2.25% as against 0.25% prescribed by RBI). Hence computation of provision as per IRACP norms has been computed under earlier policy of the Company.

48 **Asset Classification and Provisioning Disclosure**

Disclosure as per the circular no DOR.NO.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 issued by Reserve Bank of India on "COVID -19 regulatory package - Asset Classification and provisioning".

1) Amounts in SMA/overdue categories where moratorium/deferment was extended in terms of paragraph 2 and 3 of the above circular

(Rs. in Lakhs)

Particulars	As of March 31, 2022	As of March 31, 2021
i. Amounts in SMA/overdue categories where moratorium/deferment was extended *	-	936.39
ii. Respective amount where asset classification benefit is extended	Nil**	Nil**
iii. Provisions made during quarter in terms of paragraph 5 of the above circular ***	Nil	Nil
iv. Provisions adjusted against the respective accounting periods for slippages and residual provisions in terms of paragraph 6 of the above circular	Not applicable	Not applicable

* Outstanding as on March 31, 2021 on account of SMA categories cases where moratorium benefit is extended by the Company up to August 31, 2020.

** There are nil accounts as on March 31, 2021 where the asset classification benefit is extended for cases which were entitled to a moratorium until August 31, 2020, as the asset classification is based on the actual performance of the account post moratorium period is over.

*** The Company had made adequate provision for impairment loss under ECL model for the year ended March 31, 2021. Further, the Company has considered the additional provisions for the purpose of RBI circular mentioned in this note for provision computation under IRAC Norms as required under RBI Circular dated March 13, 2020.

2) Respective amount where asset classification benefit is extended : Rs. Nil.

BANSAL BANSAL & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

49 Disclosure related to leases

(A) Additions to right to use

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease hold Property	303.01	549.18

(B) Carrying value of right of use assets at the end of the reporting year

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	518.82	113.10
Additions	303.01	549.18
Deletion	-	113.10
Depreciation charge for the year	184.46	30.36
Balance at the end of the year	637.36	518.82

(C) Maturity analysis of lease liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	150.33	41.34
One to five years	451.43	35.58
More than five years	98.20	-
Total undiscounted lease liabilities at reporting period	699.96	76.92
Lease liabilities included in the statement of financial position at the year ended	177.49	69.73

(D) Amounts recognised in statement of profit or loss

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	18.68	2.98
Expenses relating to short-term leases	53.74	48.62
Expenses relating to leases of low-value assets	-	-
Total	72.42	51.60

(E) Amounts recognised in the statement of cash flows

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Operating Activity	53.74	48.62
Financial Activity	111.88	14.60
Total Cash outflow for leases	165.62	63.22

Sub Lease

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the rightof- use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

The Company had sub-leased the office premises under operating lease for which lease income is recognized in the Statement of Profit and Loss for the year amounting to Rs. 00.00 Lakhs (March 31, 2021 Rs. 0.70 Lakhs). There is no lock-in period for such sub-lease and agreement can be cancelled by both the parties.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2022

50 **Employee Stock Options Scheme (ESOP)**

The Company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2018 (ESOP 2018) to employees of the Company. These options are vested during 4 years from the grant date and exercisable with in 4 years from vesting date in the case of resignation of the employee, the grants lapse (if not exercised) after the date of resignation from service. Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The employee compensation expense for the year has been determined on fair value basis as on March 31, 2021. The said ESOPs will start its vesting period from November 5, 2019. The details of which are as follows

ESOP Scheme	Particulars	Date of Grant	Date of Board Approval	Total options granted
ESOP Scheme 2018	Grant 1	05-Nov-18	05-Nov-18	55,68,550
ESOP Scheme 2018	Grant 2	22-May-19	22-May-19	5,68,710
ESOP Scheme 2018	Grant 3	17-Dec-19	17-Dec-19	41,82,555
ESOP Scheme 2018	Grant 4	31-Jul-20	31-Jul-20	7,50,000
ESOP Scheme 2018	Grant 5	31-Jul-20	31-Jul-20	6,75,000

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Series Reference	2019-2023		2020-2024		2020-2024		2020-2024		2020-2024	
	T-1		T-2		T-3		T-4		T-5	
Fair value of the option range	23.35 - 23.98		31.44 - 34.87		41.36 - 44.82		51.41 - 65.38		51.31 - 65.38	
Exercise price	6		10		10		10		14	
Vesting period (see table below)	12 to 48 months		12 to 48 months		12 to 48 months		12 to 48 months		12 to 48 months	
Method of settlement	Equity		Equity		Equity		Equity		Equity	
Options outstanding as at beginning of reporting period	26,06,418	45,63,318	4,11,800	4,47,740	41,82,555	41,82,555	7,50,000	-	6,75,000	-
Options granted during the year	-	-	-	-	-	-	-	7,50,000	-	6,75,000
Options lapsed during the year	-	1,46,360	-	-	-	-	-	-	-	-
Options Forfeited during the year	16,50,830	14,74,005	-	-	11,82,555		3,75,000		5,07,500	
Options exercised during the year	3,40,981	2,37,735	98,183	28,540	50,000		-	-	67,500	-
Options outstanding as at end of reporting period	6,12,880	26,06,418	3,13,617	4,11,800	29,50,000	41,82,555	3,75,000	7,50,000	-	6,75,000

Manner of vesting: In a graded manner over a 4 year period with 10%, 20%, 30% and 40% of the grants vesting in each year commencing from the start date of the first
In respect of stock options granted pursuant to the Company's stock option scheme, the fair value of the options is treated as discount and accounted as "Expenses on
Expenses on Employee Stock Option Plan debited to Statement of Profit and Loss during the year 2021-22 is Rs. (22.45) lakhs (2020-21 Rs. 153.29 lakhs)

50.1 **Fair valuation :**

The fair value of options have been calculated on the date of the grant, using Black-Scholes model by an external firm of valuer.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of the grant are:

Grant Date	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of Underlying share at the time of option grant
05-Nov-18	7.35% - 7.46%	4.5 to 8 years	46.1% - 47.9%	0.0229	43.8
22-May-19	6.86% - 7.41%	4.5 to 8 years	48.50%	0.0073	61.5
17-Dec-19	5.85% - 7.41%	4.5 to 6 years	48.50%	0.0073	73.9
31-Jul-20	5.13% - 6.64%	4.5 to 6 years	45.00%	0.0053	98.5
31-Jul-20	5.13% - 5.64%	4.5 to 8 years	45.00%	0.0037	96.5

50.2 **Total carrying amount at the end of the year in Employee Stock Options under other equity**

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total carrying amount	194.47	286.21

During the year ended March 31, 2022, 30,250 options are granted and outstanding for the employees of the subsidiary company and accordingly the Company has recognised the Deemed investment of Rs. 88.07 lakhs as on March 31, 2022 (March 31, 2021: Rs. 15.42 Lakhs)

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

51 Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated September 3, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. However, such accounts had been classified as Stage 3 in accordance with Note No.9 and provision had been made accordingly.

The interim order stood vacated on March 23, 2021 vide the judgement of the Hon'ble Supreme Court in the matter of Small Scale Industrial Manufacturers Association vs UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17 DOR. STR. REC. 4/ 21.04.048/ 2021-22, dated April 07, 2021 issued in this connection. Since, the Company was already classifying the NPA accounts as Stage 3 and provision was made accordingly, without considering the above mentioned asset classification benefit for accounting purpose, there is no change in asset classification on account of the interim order dated March 23, 2021.

52 In accordance with the instructions in abovementioned RBI circular dated April 7, 2021, and the Indian Banks Association (IBA) advisory letter dated April 19, 2021, the Company has put in place the Board approved policy to refund / adjust the interest on interest charged during the moratorium period of March 01, 2020 to August 31, 2020 to eligible borrowers under the abovementioned circular and advisory. The Company has no borrowers who are eligible for benefit as per the abovementioned RBI circular and IBA advisory.

53 During the year ended March 31, 2021, the Company had not invoked resolution plans to relieve COVID-19 pandemic related stress to any of its borrowers. Therefore, disclosure as per the format prescribed as per the notification no. RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 for the year ended March 31, 2021 is not applicable to the Company.

54 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

55 Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company (as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016) as at March 31, 2022.

(Rs. in lakhs)

55.1

Liabilities Side	As at March 31, 2022		As at March 31, 2021	
	Outstanding Amount	Amount Overdue	Outstanding Amount	Amount Overdue
Loans and advances availed by the non banking financial Company inclusive of interest accrued thereon but not paid:				
a) Debentures:				
Secured	3,694.49	-	497.38	-
Unsecured	136.90	-	104.59	-
(other than falling within the meaning of public deposits*)				
b) Deferred Credits	-	-	-	-
c) Term Loans	24,848.70	-	7,094.82	-
d) Inter-corporate loans and borrowings	-	-	-	-
e) Commercial Paper	-	-	-	-
f) Public Deposits	-	-	-	-
g) Other Loans - Bank Overdraft	-	-	267.30	-
g) Other Loans - Lease Liability	177.40	-	66.75	-
Total	28,847.59	-	8,052.83	-

(Rs. in Lakhs)

55.2

Break-up of (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	As at March 31, 2022	As at March 31, 2021
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-

(Rs. in Lakhs)

55.3

Assets Side	As at March 31, 2022	As at March 31, 2021
Breakup of Loans and Advances including bills receivables (other than those included in (4) below) :		
a) Secured*	13,804.88	6,172.76
b) Unsecured *	15,568.47	4,269.48

* Represents gross value

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

(Rs. in Lakhs)

55.4

Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities	As at March 31, 2022	As at March 31, 2021
i) Lease assets including lease rentals under sundry debtors:		
a) Financial Lease	-	-
b) Operating Lease	-	-
ii) Stock on hire including hire charges under sundry debtors:		
a) Assets on hire	-	-
b) Repossed Assets	-	-
iii) Other loans counting towards AFC activities		
a) Loans where assets have been repossessed	-	-
b) Loans other than (a) above -	-	-

(Rs. in Lakhs)

55.5

Breakup of Investments:	As at March 31, 2022	As at March 31, 2021
Current Investments:		
1. Quoted:		
i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	2,503.70	1,103.25
iv) Government Securities	-	-
v) Others	-	-
2. Unquoted:		
i) Shares:	-	-
(a) Equity	2,500.10	700.00
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	-	-
iv) Government Securities	-	-
v) Others	85.87	15.42
Long Term Investments:		
1. Quoted:		
i) Shares:	-	-
(a) Equity	-	-
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	-	-
iv) Government Securities	-	-
v) Others	-	-
2. Unquoted:		
i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	-	-
iv) Government Securities	-	-
v) Others*	-	-

*Others represents the ESOPs granted by the Company to certain employees of the subsidiary.

55.6 Borrower groupwise classification of assets financed as in (3) and (4) above:

(Rs. in Lakhs)

Category	As at March 31, 2022			As at March 31, 2021		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1 Related Parties						
(a) Subsidiaries	-	93.46	93.46	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties*	13,804.88	15,475.01	29,279.89	6,172.75	4,269.48	10,442.23

* Represents gross value

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

55.7 Investor groupwise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

(Rs. in Lakhs)

Category	As at March 31, 2022		As at March 31, 2021	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
a) Subsidiaries *	-	2,585.77	-	715.42
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2. Other than related parties	2,503.70	2,503.70	1,103.25	1,103.25

* The Company has Employee Stock Option Plans (ESOP) in place. Based on such ESOP schemes, the Company has granted options to acquire equity shares of the company to certain employees of subsidiary. It has been included in the above carrying value of investment in the subsidiary.

$ The Company has not disclosed the breakup of investment into Long term investment and current investment as the classification is not required under Indian Accounting Standards issued by MCA.

55.8 PUBLIC DISCLOSURE ON LIQUIDITY RISK AS ON MARCH 31, 2022
(As per RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 04, 2019)

I) Funding Concentration based on significant counterparty (both deposits and borrowings)

(Rs. in Lakhs)

Number of significant Counterparties	Amount	% of Total deposits	% of Total Liabilities
2	5,601.11	-	21.80%

(A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs, in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies ("Liquidity Circular").

II) Top 20 large deposits (amount in Rs. crore and % of total deposits)

Not applicable. The Company being a Non-Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India, does not accept public deposits.

III) Total of top 10 borrowings (amount in Rs. crore and % of total borrowings)

(Rs. in Lakhs)

Amount	Borrowing %
18,756.72	66.18%

IV) Funding Concentration based on significant instrument/product

(Rs. in Lakhs)

Name of the instrument/product*	Amount	% of Total Liabilities
Non-convertible debentures	3,594.49	12.59%
Bank Borrowings	12,125.95	40.66%
Other Borrowings (NBFC/Funds/FIs)	12,522.75	41.99%
Total	28,243.19	

(A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs as per Liquidity Circular.

V) Stock Ratios:

Particulars	Ratios
Commercial Papers to Public Funds	-
Commercial Papers to Total Liabilities	-
Commercial Papers to Total Assets	-
NCDs (original Maturity <1 Yrs.) to Public Funds	-
NCDs (original Maturity <1 Yrs.) to Total Liabilities	-
NCDs (original Maturity <1 Yrs.) to Total Assets	-
Other Short Term Liabilities to Public Funds	53.97%
Other Short Term Liabilities to Total Liabilities	51.29%
Other Short Term Liabilities to Total Assets	32.40%

VI) Institutional set up for liquidity risk management

As on March 31, 2021, the Company have crossed the threshold of Rs. 100 Crores. Accordingly, in compliance with Liquidity Circular, the Board of Directors of the Company have at its meeting held on June 10, 2021 constituted the Asset Liability Management Committee and the Risk Management Committee.

Notes:
The amount stated in this disclosure is based on the Audited financial results for the quarter ended March 31, 2022.
Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserves/Surplus.
Other Short-term liabilities is computed as current maturities of Long-term debts but exclude commercial papers, Non-Convertible Debentures having original maturity of less than one year.

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CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

55.9 Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021

(Rs. in Lakhs)

Details of transfer through assignment in respect of loans not in default during year ended March 31, 2022	Amount
Count of loans accounts assigned	664.00
Amount of loan accounts assigned (Rs. in Lakhs)	1,334.84
Weighted average maturity (in months)	59.00
Weighted average holding period (in months)	25.00
Retention of beneficial economic interest(%)*	10%
Coverage of tangible security (%)	100%
Rating wise distribution of rated loans	NT
Break-up of loans Transferred/acquired through assignment /Novation and loan participation	All Assignment deals
Instances where we have agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty	Nil

*excluding the loan amount of INR 400.64

The Company has not acquired any loans (which are in not default or stressed loans) through assignment during the financial year ended March 31, 2022

The Company has neither acquired nor transferred any stressed loans during the year ended March 31, 2022

Details of stressed loans transferred during
During the year company has not transferred any stressed loans.

55.10 Information on instances of fraud:
During the year there are no fraud reported

55.11 Other Information (Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Gross Non Performing Assets ##		
a) Related Parties	-	-
b) Other than related parties	922.43	443.48
ii) Net Non Performing Assets##		
a) Related Parties	-	-
b) Other than related parties	617.72	339.33
iii) Assets acquired in satisfaction of debt	-	-

NPA accounts refer to Stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind-AS. 90 days Past due is considered as default for classifying a financial instrument as credit impaired.

Note :
Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
All Indian Accounting Standards issued by MCA are applicable including valuation of investments and other assets.

55.12 Disclosure of gold auction (Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Number of loan accounts	117	-
Outstanding amount	112.63	-
Value fetched on auctions	121.81	-

None of the sister concerns of the Company participated in the auction

56 Financial Ratios

Particulars	As at March 31, 2022	As at March 31, 2021
Current ratio	NA	NA
Debt equity ratio	1.65	0.81
Leverage ratio	1.78	0.95

57 **Other Regulatory Informations**

(i) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in note(s) [*] [add additional references for investment properties and other line items where applicable] to the financial statements, are held in the name of the company.

(ii) Registration of charges or satisfaction with Registrar of Companies
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(iii) Utilisation of borrowings availed from banks and financial institutions
The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans was taken.

58 Corporate social responsibility As per the provisions of Section 135 of the Companies Act 2013, the Company was required to contribute an amount of INR Nil taking towards CSR activities.

59 *a) Details of benami property held:*
No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
b) Borrowing secured against current assets:
The company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks and financial institutions are in agreement with the books of accounts.
c) Wilful defaulter:
The company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.
d) Relationship with struck off companies:
The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
e) Compliance with number of layers of companies:
The company has complied with the number of layers prescribed under the Companies Act, 2013.
f) Compliance with approved scheme(s) of arrangements:
The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
g) Utilisation of borrowed funds and share premium:
The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

h) Undisclosed income:
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
i) Details of crypto currency or virtual currency:
The company has not traded or invested in crypto currency or virtual currency during the current or previous year.
j) Valuation of PP&E, intangible asset and investment property:
The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

60 Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 30, 2022

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Rohanjeet Singh Juneja
Managing Director
DIN: 08342094

Minasi Kishore Mehta
Non-executive Non-Independent Director
DIN: 03050609

Sanjay Kukreja
Chief Financial Officer

Date : May 30, 2022

Lalit Mohan Chendvankar
Company Secretary
M. No. 20699
Date : May 30, 2022

Independent Auditor's Report

TO THE MEMBERS OF DHANVARSHA FINVEST LIMITED

REPORT ON AUDIT OF CONSOLIDATED IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated Ind AS financial statements of **DHANVARSHA FINVEST LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including India Accounting Standards ('Ind AS') specified under section 133 of the Act , of the consolidated state of affairs (financial position) of the Company as at 31st March 2022, and its consolidated profit (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on consolidated Ind AS financial statements.

KEY AUDIT MATTERS

Key audit matter	How the matter was addressed in our audit
Allowances for expected credit losses ('ECL'): The holding company has reported that 'As at 31 March 2022, the carrying value of loan assets measured at amortised cost, aggregated ₹ 289.06 crore (net of allowance	Auditors have examined the policies approved by the Boards of Directors of the Holding Company and of the subsidiary that articulate the objectives of managing each portfolio and their business models. Also verified the methodology adopted for computation of ECL ('ECL Model') that addresses

BANSAL & COMPNAY CHARTERED ACCOUNTANTS MUMBAI

Key audit matter	How the matter was addressed in our audit
of expected credit loss ₹4.68 crore) constituting approximately 61.22 % of the Company's total assets. Significant judgment has been used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets is a critical estimate involving greater level of judgment by the management. As part of risk assessment, determined that ECL on such loan assets has a high degree of estimation which may be uncertain, with a potential range of reasonable outcomes for the standalone financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Quantitative and Qualitative factors used in staging the loan assets measured at amortised cost; • Basis used for estimating Loss Given Default ('LGD'), Probabilities of Default ('PD'), and exposure at default ('EAD') product level with past trends; • Judgments used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and • Adjustments to model driven ECL results to address emerging trends.	policies approved by the Boards of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment been approved by the Audit Committee of the Board of Directors. Audit procedures related to the allowance for ECL included the following, among others: Testing the design and operating effectiveness of the following: • Completeness and accuracy of the Exposure at Default ('EAD') and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied. • accuracy of the computation of the ECL estimate including methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model; • completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; Testing details on a sample basis in respect of the following: • the mathematical accuracy of the ECL computation by using the same input data as used by the company; • accuracy and completeness of the input data such as period of default and other related information used in estimating the PD; • completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed. • evaluating the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL model to ensure that the adjustment was in conformity with the overlay amount approved by the audit committee of the company.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

INFORMATION OTHER THAN THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AND AUDITORS REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Board Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance and Shareholder's Information and Business Responsibility Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated state of affairs(financial position), consolidated profit or loss (financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated Ind AS Financial statements, the respective management of the company included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material

BANSAL BANSAL & COMPNAY
MUMBAI
CHARTERED ACCOUNTANTS

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary, which are incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated Ind AS financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

BANSAL BANSAL & COMPNAY MUMBAI CHARTERED ACCOUNTANTS relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of written representations received from the directors of the Holding Company as on 31st March 2022, taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March 2022, from being appointed as a director in terms of section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**; and

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Group does not have any pending litigations.

      ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

BANSAL BANSAL & COMPANY * CHARTERED ACCOUNTANTS * MUMBAI

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Group or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

BANSAL BANSAL & COMPNAY * MUMBAI * CHARTERED ACCOUNTANTS

For **Bansal Bansal & Co.**
Chartered Accountants
FRN: 100986W

Jatin Bansal

Jatin Bansal
(Partner)
Membership No.135399
UDIN: 22135399AJXSCQ4009

Place : Mumbai
Dated : 30th May 2022

Annexure – A to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of **DHANVARSHA FINVEST LIMITED** ("Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary company, which is incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial control and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company.

MUMBAI

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which is a company incorporated in India, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Bansal Bansal & Co.
Chartered Accountants
FRN: 100986W

BANSAL BANSAL & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

Jatin Bansal
(Partner)
Membership No.135399
UDIN: 22135399AJXSCQ4009

Place : Mumbai
Dated : 30th May 2022

120, Building No.6, Mittal Industrial Estate, Andheri Kurla Road, Andheri East, Mumbai - 400 059
Tel.: +91 4222 4444 • E-mail : mail@bansalbansal.com

M

Dhanvarsha Finvest Limited
Consolidated Balance sheet as at March 31, 2022

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
Assets			
Financial Assets			
(a) Cash and cash equivalents	4	5,855.55	3,222.53
(b) Bank balances other than cash and cash equivalents	5	2,024.03	1,530.37
(c) Receivables	6		
(i) Trade receivables		1,599.91	896.91
(ii) Other receivables		46.96	112.10
(d) Loans	7	28,812.20	9,970.19
(e) Investments	8	2,589.37	1,103.25
(f) Other financials assets	9	571.74	93.20
Total financial assets		**41,499.76**	**16,628.54**
Non Financials Assets			
(a) Current tax assets (net)	10	246.43	174.49
(b) Deferred tax assets (net)	11	83.93	119.25
(c) Property, plant and equipment	12	899.60	423.80
(d) Right of use assets	12	637.38	518.82
(e) Capital work in progress	12	194.23	78.46
(f) Intangible assets under development	12	2,232.37	330.70
(g) Other Intangible assets	13	720.36	191.69
(h) Other non-financials assets	14	653.11	183.05
Total non financials assets		**5,667.41**	**2,020.26**
Total Assets		**47,167.17**	**18,648.80**
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
(a) Payables	15		
(i) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		133.31	16.96
than micro enterprises and small enterprises		242.86	166.35
(ii) Other payables			
and small enterprises		37.79	21.56
than micro enterprises and small enterprises		169.19	48.05
(b) Debt Securities	16	3,821.46	601.98
(c) Borrowings (Other than Debt Securities)	17	24,826.19	7,450.85
(d) Other financial liabilities	18	217.38	58.12
Total financial liabilities		**29,448.18**	**8,363.87**
Non-Financial Liabilities			
(a) Current tax liabilities (net)	10	36.86	60.76
(b) Provisions	19	111.00	64.34
(c) Other non-financial liabilities	20	363.45	168.46
Total non-financial liabilities		**511.31**	**293.56**
Total Liabilities		**29,959.49**	**8,657.43**
EQUITY			
(a) Equity share capital	21	1,776.78	1,529.24
(b) Other equity	22	15,430.90	8,462.13
Total Equity		17,207.68	9,991.37
Total Liabilities and Equity		**47,167.17**	**18,648.80**
Significant accounting policies and notes to the consolidated financial statements	1 to 58		

As per our report of even date attached

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co.
Chartered Accountants
ICAI FRN 100986W

BANSAL BANSAL & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

Jatin Bansal
Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 30, 2022

Rohanjeet Singh Juneja
Managing Director
DIN: 08342094

Minaxi Kishore Mehta
Non-Executive
Non-Independent Director
DIN: 03050609

Sanjay Kukreja
Chief Financial Officer
Date : May 30, 2022

Lalit Mohan Chendvankar
Company Secretary
M. No. 20699
Date : May 30, 2022

Dhanvarsha Finvest Limited

Consolidated Statement of profit and loss for the year ended March 31, 2022

(Rs. in Lakhs)

	Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
I.	Revenue from operations			
(i)	Interest income	23	4,536.31	1,224.41
(ii)	Fees and commission income	24	2,873.15	1,728.52
(iii)	Net gain on fair value changes	25	164.67	8.43
	Total Revenue from operations		7,574.13	2,961.36
II.	Other income	26	24.07	45.05
III.	**Total Income(I+II)**		7,598.20	3,006.41
IV.	**Expenses**			
(i)	Finance costs	27	2,435.97	423.13
(ii)	Fees and commission expense	28	69.27	29.61
(iii)	Impairment on financial instruments	29	207.34	43.67
(iv)	Employee benefits expenses	30	1,853.66	1,315.61
(v)	Depreciation, amortization and impairment	31	474.69	127.07
(vi)	Others expenses	32	1,838.43	789.70
	Total Expenses		6,879.36	2,728.19
V.	**Profit before exceptional items and tax (III-IV)**		718.84	278.22
	Exceptional Items		-	-
VI.	**Profit before tax (III-IV)**		718.84	278.22
VII.	**Tax expense:**	33		
	Current tax		285.25	117.41
	Deferred tax		35.11	29.39
	Earlier years tax		-	1.32
	Total Tax Expense		320.36	148.12
VIII.	**Profit for the period (VI-VII)**		398.48	130.10
IX.	Other comprehensive income			
A.	Items that will not be reclassified to profit or loss			
	i) Remeasurement gain / (loss) on defined benefit plan		1.16	1.95
	ii) Income tax impact on above	33	(0.18)	(0.54)
	Total (A)		0.98	1.41
B.	**Items that will reclassified to profit or loss**		-	-
	Other comprehensive income/(loss) (A+B)		0.98	1.41
X.	**Total comprehensive income(VIII+IX)**		399.46	131.51
XI.	**Earnings per equity share**	34		
	Basic (INR)		0.52	0.18
	Diluted (INR)		0.45	0.14
	Significant accounting policies and notes to the consolidated financial statements	1 to 58		

As per our report of even date attached

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co.
Chartered Accountants
ICAI FRN 100986W

BANSAL BANSAL & COMPANY * CHARTERED ACCOUNTANTS * MUMBAI

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 30, 2022

Rohanjeet Singh Juneja
Managing Director
DIN: 08342094

Sanjay Kukreja
Chief Financial Officer

Date : May 30, 2022

Minaxi Kishore Mehta
Non-Executive
Non-Independent Director
DIN: 03050609

Lalit Mohan Chendvankar
Company Secretary
M. No. 20699
Date : May 30, 2022

Dhanvarsha Finvest Limited
Consolidated Statement of cash flows for the year ended March 31, 2022

(Rs. in Lakhs)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net profit before taxes	**718.84**	**278.22**
	Adjustment for:		
	Interest Income from Fixed Deposits	(99.64)	(34.27)
	Profit on sale of property, plant and equipment	(0.01)	-
	Profit on sale of Investment property	-	-
	Depreciation / Amortisation	474.69	127.07
	Impairment on financial instruments	200.48	43.67
	Realised gain on investments	(264.15)	(11.17)
	Unrealised gain on investments	(0.51)	2.74
	Fee Income Recognition per EIR	(112.13)	(51.28)
	Employee share based payment expenses	(22.45)	168.73
	Cash outflow towards finance cost	(2,435.24)	(600.92)
	Operating (loss)/ profit before working capital changes	(1,440.12)	(77.23)
	Movement in working capital		
	(Increase)/decrease in Loans	(18,563.58)	(6,677.06)
	(Increase)/Decrease in other financial assets	1,634.04	219.12
	(Increase)/Decrease in other assets	(142.42)	(528.15)
	(Increase)/Decrease in Trade Receivable	(1,100.42)	(590.84)
	Increase/(Decrease) in Other payables	378.21	216.47
	Increase/(Decrease) in Other Financial liabilities	1,300.82	21.86
	Increase/(Decrease) in Other liabilities	194.99	(406.77)
	Increase/(Decrease) in provisions	42.25	19.70
	Cash generated from operations	(18,088.23)	(7,788.87)
	Income taxes (paid)	(381.49)	(253.46)
	Net cash from/(utilised in) operating activities	(18,469.72)	(8,037.33)
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Property, plant and equipment and Intangible Assets	(3,614.93)	(1,330.13)
	Proceeds from sale of Property, plant and equipment and Intangible Assets	7.08	112.10
	Purchase of investment at fair value through profit and loss account	(20,512.29)	(3,074.41)
	Proceeds from sale of investment at fair value through profit and loss account	17,243.51	4,116.84
	Investment in Fixed Deposits	(5,254.80)	(1,232.50)
	Proceeds from sale of Fixed Deposits	4,710.00	1,050.00
	Interest Income from Fixed Deposits	99.61	34.27
	Net cash from/(utilised in) investing activities	(7,309.99)	(3,444.23)
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from issue of share capital and share warrants including share premium	192.89	2,174.92
	Debt securities issued	9,582.89	3,000.00
	Debt securities repaid	-	-
	Borrowings other than debt securities issued	25,902.70	4,973.00
	Proceeds from / (repayment of) borrowings	(9,199.30)	(1,513.71)
	Payment of Lease Liability	(131.88)	(19.60)
	Dividends paid including dividend distribution tax	(14.34)	(14.34)
	Net cash from financing activities	28,412.73	18,533.27
	NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	2,633.02	3,051.68
	Cash and cash equivalents at the beginning of the financial year	3,222.52	170.84
	Cash and cash equivalents at end of the year	5,855.53	3,222.53

Reconciliation of cash and cash equivalents as per the cash flow statement
Cash and cash equivalents as per above comprise of the following

(Rs. in Lakhs)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Balances with banks in Current accounts	5,344.46	3,145.89
	Cash on hand (including foreign currencies)	511.07	76.63
	Bank deposits with maturity of less than 3 months	-	-
	Total	[illegible]	[illegible]

The above Consolidated Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 'Statement of Cash Flows'.

For disclosure relating to changes in liabilities arising from financing activities, refer note 49

Significant accounting policies and notes to the Consolidated financial statements 1 to 58

As per our report of even date attached

For Bansal Bansal & Co.
Chartered Accountants
ICAI FRN 100986W

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 30, 2022

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Rohanjeet Singh Juneja
Managing Director
DIN: 08342094

Manoj Kishore Mehta
Non-Executive
Non-Independent Director
DIN: 03050609

Sanjay Kukreja
Chief Financial Officer

Date : May 30, 2022

Lalit Mohan Chendvankar
Company Secretary
M. No. 20699
Date : May 30, 2022

Dhanvarsha Finvest Limited
Consolidated Statement of changes in equity as at March 31, 2022

A. Equity share capital

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	1,529.24	1,350.78
Changes in equity share capital during the year	247.54	178.46
Balance at the end of the year	1,776.78	1,529.24

B. Other Equity

(Rs. in Lakhs)

Particulars	Reserve and Surplus: Securities Premium	Reserve and Surplus: Employee stock option outstanding	Reserve and Surplus: Retained Earnings	Reserve and Surplus: Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Money received against share warrants	Share application money pending allotment	Equity component of compound financial instruments	Capital Contribution	Total
Balance at April 1, 2020	629.84	120.16	612.18	277.38	125.00	-	-	-	1,764.54
Profit for the year	-	-	230.10	-	-	-	-	-	230.10
Additions for the year	1,397.67	-	-	-	875.00	2.92	4,576.42	279.17	6,931.18
Deletion for the year		-	-	-	(500.00)	-	-	-	(500.00)
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-		(13.69)	13.69	-	-	-	-	-
Options Exercised and lapsed	-	(0.19)	0.19	-	-	-	-	-	-
Share based payments to employees	-	153.29	-	-	-	-	-	-	153.29
Utilisation of securities premium	-	(19.47)		-	-	-	-	-	(19.47)
ESOP's granted to employees of Subsidiary Company	-	15.42	-	-	-	-	-	-	15.42
Remeasurement of defined benefit plans (net of tax)	-	-	1.41	-	-	-	-	-	1.41
Dividend paid	-	-	(14.34)	-	-	-	-	-	(14.34)
Dividend distribution tax	-	-		-	-	-	-	-	-
Changes during the the year	1,397.67	149.05	103.67	13.69	375.00	2.92	4,376.42	279.17	6,697.59
At March 31, 2021	2,027.51	269.22	715.84	291.07	500.00	2.92	4,376.42	279.17	8,462.13
Profit for the year	-	-	398.48	-	-	1.64	-	-	400.12
Additions for the year	2,469.63	-	-	-	-	-	3,309.10	837.46	6,615.19
Deletion for the year	-	-	-	-	(50.00)	(2.92)	-		(52.92)
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(146.48)	146.48	-	-	-	-	
Options Exercised and lapsed	-	(86.79)	86.79	-	-	-	-	-	-
Share based payments to employees	-	(22.46)	-	-	-	-	-	-	(22.46)
Utilisation of securities premium	-	(35.75)	-		-	-	-	-	(35.75)
ESOP's granted to employees of Subsidiary Company	-	70.25	-	-	-	-	-	-	70.25
Remeasurement of defined benefit plans (net of tax)	-	-	0.98	-	-	-	-	-	0.98
Dividend paid	-	-	(7.67)	-	-	-	-	-	(7.67)
Dividend distribution tax	-	-		-	-	-	-	-	-
Changes during the the year	2,469.63	(74.74)	332.11	146.48	(50.00)	(1.28)	3,309.10	837.46	6,968.76
At March 31, 2022	4,497.14	194.48	1,047.94	437.56	450.00	1.64	7,685.52	1,116.63	15,430.90

Significant accounting policies and notes to the Consolidated Financial Statements 1 to 58

As per our report of even date attached

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date: May 30, 2022

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Rohanjeet Singh Juneja
Managing Director
DIN: 08342094

Sanjay Kukreja
Chief Financial Officer

Date : May 30, 2022

Minaxi Kishore Mehta
Non-Executive
Non-Independent Director
DIN: [illegible]

Lalit Mohan Chendvankar
Company Secretary
M. No. 20669
Date May 30, 2022

Dhanvarsha Finvest Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2022

1. **Basis of preparation**

   A. **Statement of compliance**

The Consolidated financial statements relates to M/s. Dhanvarsha Finvest Limited (the "Holding Company") and its subsidiary (together constitute as the "Group"). The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the financial statement.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to Non Banking Financial Companies (NBFCs), as notified by the MCA.

These financial statements are approved for issue by the Board of Directors on May 30, 2022.

   B. **Significant and material orders**

During the year, there is no significant or material orders were passed by any regulator or court or any tribunal impacting the going concern status and company's operations in future.

   C. **Basis of consolidation**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of following subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Name of the subsidiary	Name of the parent entity	Ownership in % either directly or through subsidiaries	Country of incorporation
DFL Technologies Private Limited	Dhanvarsha Finvest Limited	100%	India

The Group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses.

Intra-group balance and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

   D. **Functional and presentation currency**

The consolidated financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. All the amounts are rounded to the nearest lakhs with two decimals, except when otherwise indicated.

   E. **Basis of Measurement**

The consolidated financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the Act, except for:

- Financial instruments – measured at fair value

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

- Employees Stock Option plan as per fair value of the option
- Employee's Defined Benefit Plan as per actuarial valuation.

F. Use of Estimates and Judgements

The preparation of consolidated financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgments, estimates and assumptions are recognised in particular for:

i. Business model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the business model test. The Group determines the business model at a level that reflects how Group's of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii. Determination of estimated useful lives of property, plant, equipment:

Useful lives of property, plant and equipment are based on nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support.

iii. Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the basis of above valuation includes discount rate, trends in salary escalation, demographics and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Further details are disclosed in Note 38

iv. Recognition of deferred tax assets:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

v. Recognition and measurement of provisions and contingencies

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

vi. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Refer Note 45 about determination of fair value. For recognition of impairment loss on other financial assets and risk exposures, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss.

vii. Impairment of financial assets

The Group recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Group assesses whether the above financial assets are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Group follows 'general approach' for recognition of impairment loss allowance on loan and advances. Under this approach impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

viii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

G. Standards issued but not effective:

The amendments are proposed to be effective for reporting periods beginning on or after April 1, 2020:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

2. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

A. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Group and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of property , plant and equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on plant, property and equipment

Depreciation on property, plant and equipment (except motor vehicles) is provided on straightline method at estimated useful life, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Particulars	Useful Life as per prescribed in Schedule II of the Act (year)
Computers	3
Networks and Servers	6
Furniture and fixtures	10
Office equipment	5

Motor vehicles are depreciated over a period of eight years on written down value method. Leasehold improvement is amortized over the period of the lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits.

B. Capital Work in Progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses to acquire the property, plant and equipment. Assets which are not ready for intended use are also shown under capital work-in-progress

C. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss.

Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalisation criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Group's intangible assets is as below:

Particulars	Useful life (years)
Computer software	5

D. **Intangible Assets Under Development**

It includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses.

E. **Impairment of property, plant and equipment and intangible assets**

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired, if any such indication exists, the Group estimates the recoverable amount of the assets.
If such recoverable amount of asset or recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at balance sheet date there is an indication that a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Recoverable amount is the higher of an asset's or cash generating unit's net selling price and value in use.

F. **Revenue recognition**

i. __Interest income__

Interest income for all financial instruments except for those measured or designated as at Fair Value Through Profit and Loss account (FVTPL) are recognised in the profit or loss account using the effective interest method (EIR). Interest on financial instruments measured as at FVTPL is included within the fair value movement during the period.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)).

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the expected cash flows are estimated by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

ii. Processing fee and application fee:

Income from application and processing fees including recovery of documentation not forming part of effective rate calculation charges are recognised upfront.

iii. Delayed payment charges, penal Interest, other penal charges, foreclosure charges :

Delayed Payment charges, Penal Interest, Other Penal Charges, Foreclosure Charges are recognised on receipt basis on account of uncertainty of the ultimate collection of the same.

iv. Dividends:

Dividend income is recognized when the Company's right to receive dividend is established on the reporting date.

v. Fees & commission income:

Fees and commissions are recognised when the Group satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a goods or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

vi. Other Income and Expenses

Other income and expenses are recognised in the period they occur

vii. Net gain on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVOCI.

G. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

– Fixed payments, including in-substance fixed payments;

– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

– Amounts expected to be payable under a residual value guarantee; and

– The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property and hence disclosed in 'property, plant and equipment' and lease liabilities in 'Borrowings' in the statement of financial position.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of properties that are having non-cancellable lease term of less than 12 months and low value assets . The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

H. Financial Instruments

i. Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial instruments to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the cashflows of the financial assets and the Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages Group's of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The solely payments of principal and interest (SPPI) test

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Group classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

ii. Financial assets at amortised cost:

The Group classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

iii. Financial assets at fair value through other comprehensive income (FVOCI):

The Group classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Group's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

iv. Financial instruments at fair value through profit and loss account (FVTPL)

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Group does not have any financial instruments designated as measured at fair value through profit or loss.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Group has not designated any financial instruments as measured at fair value through profit or loss.

v. Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

vi. Derecognition of financial assets and financial liabilities

Recognition

a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.

b) Investments are initially recognised on the settlement date.

c) Borrowings are initially recognised when funds reach the Group.

d) Other financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification :

a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer only qualifies for derecognition if either:

i. The Group has transferred substantially all the risks and rewards of the asset, or

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Group does not have any financial liabilities which have been derecognised.

vii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

viii. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognized at the amount of the proceeds received, net of direct issue costs.

ix. Compound Financial Instruments

Compulsorily convertible instruments with a fixed conversion ratio are separated into liability and equity components. On issuance of the said instruments, the liability component (being the present value of the future interest cash outflows discounted at a market rate for an equivalent non-convertible instrument) is reduced from the fair value of the instrument to arrive at the equity component. This Equity component is disclosed separately under Other Equity.

I. Impairment of financial assets:

The Holding Company records allowance for expected credit losses (ECL) for all loans and debt investments, together with loan commitments to customers. The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case the allowance is based on the 12 months' expected credit loss. Both life time expected credit loss and 12 months' expected credit loss are calculated on individual loan / instrument basis.

At the end of each reporting period, the Holding Company performs an assessment of whether the loan's / investment's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the asset.

The method and significant judgments used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in note 46 (Risk Management).

Simplified approach for trade/other receivables and contract assets

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade/other receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Write-offs

The Holding Company reduces the gross carrying amount of a financial asset when the Holding Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Holding Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

J. Determination of fair value

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: inputs for the current assets or liability that are not based on observable market data (unobservable inputs).

K. Retirement and other employee benefits

Defined contribution schemes

The employees of the Holding Company who have opted, are entitled to receive benefits under the Provident Fund Scheme and Employee Pension Scheme, defined contribution plans in which both the employee and the Holding Company contribute monthly at a stipulated rate. The Holding Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

Defined benefit plans

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Holding Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss. Net interest expense / (income) on the defined liability / (assets) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Holding Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

BANSAL BANSAL & COMPANY MUMBAI

DHANVARSHA FINVEST LIMITED

Other long term employee benefits

The Holding Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

L. Share based payments

Employees stock options plans ("ESOPs") - equity settled

The Holding Company grants share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Holding Company's operations. Employees (including directors) of the Holding Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity settled transactions").

The cost of equity-settled transactions with employees and directors for grants is measured by reference to the fair value at the date at which they are granted. The cost of equity-settled transactions is recognised in statement profit and loss, together with a corresponding increase in other equity, representing contribution received from the shareholders, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

M. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of temporary timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary timing differences. Deferred tax assets are recognized for deductible temporary timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

BANSAL BANSAL & COMPANY * MUMBAI * CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Minimum alternate tax

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

N. Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- At the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

O. Foreign currency transactions and balances

a. **Initial recognition:**
Foreign currency transactions are recorded in the reporting currency (which is Indian Rupees), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b. **Conversion:**
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

c. **Exchange differences:**
All exchange differences arising on settlement or translation of monetary items are recognized as income or as expenses in the period in which they arise.

P. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Q. Segmental reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

The Joint Managing Directors of the Holding Company assesses the financial performance and position of the Group and make strategic decisions and hence has been identified as being chief operating decision maker.

R. Provisions

A provision is recognized when the Group has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

S. Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements if the inflow of the economic benefit is probable than it is disclosed in the financial statements.

T. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

U. Goods and service tax input credit

Goods and Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits. The Company has opted to claim 50% of eligible input tax credit on inputs, capital goods and input services and the balance 50% is charged to the statement of profit and loss as per applicable provisions.

DHANVARSHA FINVEST LIMITED

BANSAL & COMPANY MUMBAI

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

4 Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	510.03	75.90
Foreign currency on hand	1.04	0.73
Balance with Bank (of the nature of cash and cash equivalents)	5,344.48	3,145.89
Total	**5,855.55**	**3,222.53**

5 Bank balances other than cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividend accounts	17.03	18.95
Bank deposit with original maturity for more than three months	2,007.00	1,511.42
Total	**2,024.03**	**1,530.37**
Note: 1) Fixed deposit earns interest at a fixed interest rate.		
2) Bank deposits amounting to Rs. 2007.00 Lakhs (March 31, 2021 - 1,018.61 Lakhs) pledged as lien against borrowings.		

6 Receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Trade Receivable		
Considered good - secured	-	-
Considered good - unsecured	1,599.91	504.12
Trade receivables which have significant increase in credit risk	18.57	95.36
Trade receivables credit impaired	-	-
Gross	**1,618.48**	**599.48**
Less: Allowances for impairment loss on credit impared trade receivables (Refer Note 46)	(18.57)	(2.57)
Total (Refer Note 46)	**1,599.91**	**596.91**
(ii) Other Receivables		
Considered good - secured	-	-
Considered good - unsecured	46.96	112.10
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit impaired	-	-
Total	**46.96**	**112.10**
Less: Allowances for impairment loss on credit impared trade receivables (Refer Note 46)	-	-
Total	**1,646.87**	**709.01**

i) No trade or other receivable are due from directors or other officers of The Group either severally or jointly with any other person.

ii) No trade receivables are due from firms or private Companies respectively in which any director is a partner,a director or a member. However, Other receivables balance as at March 31, 2022 includes Rs. 46.96 Lakhs (March 31, 2021: Rs. 46.96 Lakhs) due from firms or private Companies respectively in which any director is a partner,a director or a member.

iii) The company has not entered in any supplier finance arrangements during the financial year 2021-22.

Aging of trade receivables

(Rs. in Lakhs)

Particulars	FY 2021-22						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade receivables:							
Considered good	-	-	1,646.87	-	-	-	1,646.87
Which have significant increase in credit risk	-	-	18.57	-	-	-	18.57
Credit impaired	-	-	(18.57)	-	-	-	(18.57)
Total	-	-	**1,646.87**	-	-	-	**1,646.87**
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Particulars	FY 2020-21						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade receivables							
Considered good	-	-	616.22	-	-	-	616.22
Which have significant increase in credit risk	-	-	95.36	-	-	-	95.36
Credit impaired	-	-	(2.57)	-	-	-	(2.57)
Total	-	-	**709.01**	-	-	-	**709.01**
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Reconciliation of impairment loss allowance on trade receivables:

(Rs. in Lakhs)

Particulars	Amount
Impairment allowance measured as per simplified approach	-
Impairment allowance as per April 01, 2020	-
Add: Addition during the year	2.57
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2021	**2.57**
Add: Addition during the year	16.00
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2022	**18.57**

The managements expects no default in receipt of other receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on other receivables.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

7 Loans and Advances

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Amortised Cost		
Term Loans		
Secured Loans (considered good)	13,711.41	6,172.75
Unsecured Loans (considered good)	15,568.48	4,269.48
Total Gross (A) (Refer Note 7.1 and 46)	**29,279.89**	**10,442.23**
Less:Impairment loss allowance (Refer Note 7.2 and 46)	(467.69)	(472.04)
Total Net (A)	**28,812.20**	**9,970.19**
(i) Secured by tangible assets	13,711.41	6,172.75
(ii)Secured by intangible assets	-	-
(iii) Covered by Bank/Government Guarantees	-	-
(iv) Unsecured	15,568.48	4,269.48
Total Gross (B)	**29,279.89**	**10,442.23**
Less:Impairment loss allowance	(467.69)	(472.04)
Total Net (B)	**28,812.20**	**9,970.19**
Loans in India		
(i) Public Sector	-	-
(ii) Others	29,279.89	10,442.23
Loans outside India	-	-
Total Gross (C)	**29,279.89**	**10,442.23**
Less:Impairment loss allowance	(467.69)	(472.04)
Total Net (C)	**28,812.20**	**9,970.19**

7.1 The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due -

(Rs. in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant increase in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	> 90 DPD
March 31, 2022			
Secured Loan	10,211.87	3,001.57	591.44
Unsecured Loan	14,601.17	547.63	326.21
Total	**24,813.04**	**3,549.20**	**917.65**
March 31, 2021			
Secured Loan	4,843.51	976.40	352.84
Unsecured Loan	3,983.54	195.29	89.65
Total	**8,827.05**	**1,171.69**	**442.49**

7.2 The following table summarizes the changes in loss allowances measured using expected credit loss model -

(Rs. in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant increase in credit risk	Credit Impaired
	0-30 DPD	**30-90 DPD**	**More than 90 DPD**
ECL Allowance - March 31, 2022			
Secured Loan	12.87	72.51	72.47
Unsecured Loan	52.14	25.62	232.08
Total	**65.01**	**98.13**	**304.55**
March 31, 2021			
Secured Loan	37.20	154.73	155.80
Unsecured Loan	56.06	19.86	48.39
Total	**93.26**	**174.59**	**204.19**

7.3 Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans:		
Promoters	-	-
Directors	-	-
Key-managerial personnel	-	-
Other related parties	-	-
Total	-	-
Advances:		
Promoters	-	-
Directors	-	-
Key-managerial personnel	-	-
Other related parties	-	-
Total	-	-

Loans & Advances repayable on demand

Loans	-	-
Advances	-	-
Total	-	-

BANSAL & COMPANY CHARTERED ACCOUNTANTS MUMBAI

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

8 Investments

(Rs. in Lakhs)

Particulars	As at March 31, 2022						
		At fair value				Others	Total
	Amortised cost	Through other comprehensive	Through profit and loss	Designated at fair value through profit and	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	2,503.70	-	2,503.70	-	2,503.70
(ii) Equity Instruments Subsidiaries	-	-	-	-	-	85.67	85.67
Total Gross (A)	-	-	2,503.70	-	2,503.70	85.67	2,589.37
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	2,503.70	-	2,503.70	85.67	2,589.37
Total (B)	-	-	2,503.70	-	2,503.70	85.67	2,589.37
Less: Impairment allowance (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	2,503.70	-	2,503.70	85.67	2,589.37

(Rs. in Lakhs)

Particulars	As at March 31, 2021						
		At fair value				Others	Total
	Amortised cost	Through other comprehensive	Through profit and loss	Designated at fair value through profit and	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	1,103.25	-	1,103.25	-	1,103.25
(ii) Equity Instruments			-		-		-
Total Gross (A)	-	-	1,103.25	-	1,103.25	-	1,103.25
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	1,103.25	-	1,103.25	-	1,103.25
Total (B)	-	-	1,103.25	-	1,103.25	-	1,103.25
Less: Impairment allowance (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	1,103.25	-	1,103.25	-	1,103.25

There are no investments measured at FVOCI

More information regarding the valuation methodologies can be found in Note 45

9 Other financials assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	99.69	25.25
Other advances*	472.05	15.79
Other Financial Assets	0.00	52.16
Total	571.74	93.20

* Includes the amount recoverable from related party: Current year Rs. Nil (previous year Rs.4.36 lakhs)

10 Current Tax assets/(Liabilities)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax assets		
Advance income tax(Net of provisions of Rs. 667.97 lakhs (March 31, 2021 Rs. 392.71 lakhs)	246.43	174.49
Current Tax liabilities		
Provision for current tax(Net of advance tax of Rs. Nil lakhs (March 31, 2021 Rs. Nil lakhs)	(36.86)	(60.76)
Total	209.57	113.73

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

11 Deferred tax assets/(liabilities) (net)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax asset on account of:		
Impairment loss allowance	145.22	128.20
Provision on Employee Stock Option	54.11	74.90
Expenses allowable for tax purposes when paid	28.31	18.17
EIR impact on loans measured at amortised cost	65.22	32.43
Other Temporary Differences	0.20	1.46
Right of Use Assets	18.70	-
EIR impact of Subvention Income	1.73	-
Deferred tax liability on account of:		
Property, plant and equipment and other intangible assets - carrying amount	(19.91)	(22.78)
EIR impact of DSA Commission	(64.91)	(28.59)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	(103.40)	(44.35)
Liability component of Compound Financial Instrument	(35.32)	(29.10)
Other Temporary Differences	(6.02)	(11.12)
MAT Entitlement Credit	-	-
Net deferred tax assets	83.93	119.25

11.1 Note (a): Summary of deferred tax assets/(liabilities)

(Rs. in Lakhs)

Particulars	As at April 1, 2020	(Charged)/Credited to P & L	(Charged)/ Credited to OCI	Utilised	As at March 31, 2021
Impairment loss allowance	116.02	12.18	-	-	128.20
Provision on Employee Stock Option	33.43	41.47	-	-	74.90
Expenses allowable for tax purposes when paid	6.91	11.80	(0.54)	-	18.17
EIR impact on loans measured at amortised cost	1.44	30.99	-	-	32.43
Other Temporary Differences	0.01	1.45	-	-	1.46
Property, plant and equipment and other intangible assets - carrying amount	(8.23)	(14.56)	-	-	(22.78)
EIR impact of DSA Commission	(1.22)	(27.37)			(28.59)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	(44.35)			(44.35)
Liability component of Compound Financial Instrument	-	(29.10)			(29.10)
Other Temporary Differences	0.25	(11.37)	-	-	(11.12)
	-	-			
MAT Entitlement Credit	39.59	-	-	(39.59)	-
Net Net deferred tax assets/(liability)	188.21	(28.85)	(0.54)	(39.59)	119.25

Particulars	As at April 1, 2021	(Charged)/Credited to P & L	(Charged)/ Credited to OCI	Utilised	As at March 31, 2022
Impairment loss allowance	128.20	17.02	-	-	145.22
Provision on Employee Stock Option	74.90	(20.79)	-	-	54.11
Expenses allowable for tax purposes when paid	18.17	10.32	(0.18)	-	28.31
EIR impact on loans measured at amortised cost	32.43	32.79	-	-	65.22
Other Temporary Differences	1.46	(1.26)	-	-	0.20
Right of use assets	-	18.70	-	-	18.70
EIR impact of subvension income	-	1.73	-	-	1.73
Property, plant and equipment and other intangible assets - carrying amount	(22.78)	2.87	-	-	(19.91)
EIR impact of DSA Commission	(28.59)	(36.33)	-	-	(64.91)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	(44.35)	(59.05)	-	-	(103.40)
Liability component of Compound Financial Instrument	(29.10)	(6.22)	-	-	(35.32)
Other Temporary Differences	(11.12)	5.10	-	-	(6.02)
MAT Entitlement Credit	-	-	-	-	-
Net Net deferred tax assets/(liability)	119.25	(35.12)	(0.18)	-	83.93

Dhanvarsha Finvest Limited

12 Notes to Consolidated Financial Statements for the year ended March 31, 2022

(a) Property, plant and equipment

(b) Right of use assets

(Rs. in Lakhs)

Particulars	(a) Property, plant and equipment						(b) Right of use assets	
	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Total	Right to Use	Total
For the year ended March 31, 2022								
Gross Carrying Amount								
Cost as at April 1, 2021	111.71	0.17	101.35	153.98	122.76	489.98	549.18	549.18
Additions	69.37	24.63	153.58	106.95	277.30	631.83	192.76	192.76
Adjustments	-	-	-	-	-	-	110.25	110.25
Disposals								
Gross carrying value as of March 31, 2022	**181.08**	**24.80**	**254.93**	**260.93**	**400.06**	**1,121.81**	**852.19**	**852.19**
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2021	35.03	-	9.94	2.00	19.99	66.96	30.36	30.36
Depreciation charge during the year	42.10	1.88	36.15	22.68	52.44	155.25	184.46	184.46
Disposals	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2022	**77.13**	**1.88**	**46.09**	**24.68**	**72.43**	**222.21**	**214.81**	**214.81**
Net carrying value as of March 31, 2022	**103.95**	**22.92**	**208.84**	**236.25**	**327.63**	**899.60**	**637.38**	**637.38**

Particulars	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Total	Right to Use	Total
For the year ended March 31, 2021								
Gross Carrying Amount								
Cost as at April 1, 2020	46.84	0.17	17.96	3.88	146.55	215.40	-	-
Additions	64.87	-	83.39	150.10	91.74	390.10	549.18	549.18
Adjustments	-	-	-	-	(115.53)	(115.53)	115.53	115.53
Disposals	-	-	-	-	-	-	(115.53)	(115.53)
Gross carrying value as of March 31, 2021	**111.71**	**0.17**	**101.35**	**153.98**	**122.76**	**489.97**	**549.18**	**549.18**
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2020	13.56	-	1.70	0.26	10.49	26.01	-	-
Depreciation charge during the year	21.47	-	8.24	1.74	11.93	43.38	30.36	30.36
Adjustments	-	-	-	-	(2.43)	(2.43)	2.43	2.43
Disposals	-	-	-	-	-	-	(2.43)	(2.43)
Impairment loss	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2021	**35.03**	-	**9.94**	**2.00**	**19.99**	**66.96**	**30.36**	**30.36**
Net carrying value as of March 31, 2021	**76.68**	**0.17**	**91.41**	**151.98**	**102.77**	**423.00**	**518.82**	**518.82**

* **Revaluations of right to use assets:** The right of use assets has been revalued by by the company itself instead of any independent registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

(C) Capital work-in-progress

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital work in progress	194.23	78.46
Total	194.23	78.46

(d) Intangible assets under development

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Intangible assets under development	2,232.37	330.70
Total	2,232.37	330.70

Aging of Capital work-in-progress and Intangible assets under development

(Rs. in Lakhs)

Particulars	Less than one year	1 - 2 year	2 - 3 year	More than 3 Year	Total
i. Projects in progress					
Capital work in progress	194.23	-	-	-	194.23
Intangible assets under development	2,232.37	-	-	-	2,232.37
Total	2,426.60	-	-	-	2,426.60
ii. Projects temporarily suspended					
Capital work in progress	-	-	-	-	-
Intangible assets under development	-	-	-	-	-
Total	-	-	-	-	-

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

13 Other intangible assets

(Rs. in Lakhs)

Particulars	Computer software	Total
For the year ended March 31, 2022		
Gross Carrying Amount		
Cost as at April 1, 2021	283.41	283.41
Additions	663.66	663.66
Disposals	-	-
Gross carrying value as of March 31, 2022	**947.07**	**947.07**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2021	91.72	91.72
Depreciation charge during the year	134.99	134.99
Disposals	-	-
Impairment loss	-	-
Accumulated depreciation as of March 31, 2022	**226.71**	**226.71**
Net carrying value as of March 31, 2022	**720.36**	**720.36**
For the year ended March 31, 2021		
Gross Carrying Amount		-
Cost as at April 1, 2020	181.26	181.26
Additions	102.15	102.15
Disposals	-	-
Gross carrying value as of March 31, 2021	**283.41**	**283.41**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2020	38.39	38.39
Depreciation charge during the year	53.33	53.33
Disposals	-	-
Impairment loss	-	-
Accumulated depreciation as of March 31, 2021	**91.72**	**91.72**
Net carrying value as of March 31, 2021	**191.69**	**191.69**

14 Other non-financials assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expense	437.42	114.58
Advance to vendors	33.58	34.44
Advance to employees	11.55	10.09
Balances with statutory/government authorities	170.56	24.74
Total	**653.11**	**183.85**

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

15 Payables

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	133.31	16.96
Total outstanding dues of creditors other than micro enterprises and small enterprises	242.86	166.35
Total	376.17	183.31
Other payables		
Total outstanding dues of micro enterprises and small enterprises	37.79	21.56
Total outstanding dues of creditors other than micro enterprises and small enterprises	169.19	48.05
Total	206.98	69.61

i) The company has not entered in any supplier finance arrangements during the financial year 2021-22.

ii) Information required to be disclosed in accordance with Micro, Small and Medium Enterprises Development Act, 2006 has been determined based on the parties identified on the basis of information available with the Company. Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount remaining unpaid to supplier as at the end of the year	171.10	38.52
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

Particulars	FY 2021-22						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade payables:							
Micro enterprises and small enterprises	-	-	171.10	-	-	-	171.10
Others	19.62	-	392.43	-	-	-	412.05
Total	19.62	-	563.53	-	-	-	583.15
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Particulars	FY 2020-21						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	38.52	-	-	-	38.52
Others	85.26	-	129.13	-	-	-	214.39
Total	85.26	-	167.65	-	-	-	252.92
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total							

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

16 Debt Securities

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
At Amortised Cost		
Unsecured		
Compulsorily Convertible Debentures *	126.98	104.59
Secured		
Non Convertible Debentures - Privately Placed	3,694.49	497.39
Total	3,821.46	601.98
Debt Securities within India	3,821.46	601.98
Debt Securities outside India	-	-
Total	3,821.46	601.98

* Includes Rs. 57.82 issued to Related Parties

Debt Securities Disclosure

i) Privately placed redeemable non-convertible debenture

(Rs. In Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2022	As at March 31, 2021
(i) 24-36 Months [of Rs. 10,00,000/- each]	11.00%	375.00	375.00
(ii) 12-24 Months [of Rs. 10,00,000/- each]	11.00%	125.00	125.00
(iii) 12-24 Months [of Rs. 10,00,000/- each]	11.39%	1,500.00	-
(iv) 12-24 Months [of Rs. 1,000/- each]	11.61%	1,500.00	-
Gross		3,500.00	500.00
Less: Effective Interest Rate Adjustment		194.49	(2.61)
Net		3,694.49	497.39

Nature of Security

i) Non-convertible debenture @ 11%
The facility is secured by exclusive hypothecation of standard loans & advances receivables to maintain a security cover of 1.20 times.

ii) Non-convertible debenture @ 11.39%
The facility is secured by exclusive hypothecation of loans & advances receivables.

iii) Non-convertible debenture @ 11.61%
The facility is secured by exclusive hypothecation of loans & advances receivables.

ii) Privately placed unsecured compulsorily convertible debenture

(Rs. In Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2022	As at March 31, 2021
(i) Upto 18 Months [of Rs. 22.26/- each]	2%	2,042.40	4,500.00
(ii) Upto 18 Months [of Rs. 80.00/- each]	10%	6,582.89	-
Gross		8,625.29	4,500.00
Less: Equity component of compound financial instrument		(7,685.57)	(4,376.42)
Less: Accrued Interest Adjustment		(812.79)	(18.99)
Net		126.98	104.59

Terms of Redemption

The holder shall have the option to convert the CCDs, any time prior to the expiry of 18 (eighteen) months from the date of issuance of the CCDs, provided that all compulsorily convertible debentures issued shall mandatorily convert simultaneously. Each CCD shall convert into Equity Share at below mentioned conversion price:

i) CCD bering interest rate 2% shall convert into one Equity Share at a conversion price of Rs. 22.26 per equity share.
ii) CCD bering interest rate 10% shall convert into one Equity Share at a conversion price of Rs. 80.00 per equity share.

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

17 Borrowings (other than debt securities)

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
At amortised cost		
Secured		
Term Loan from Banks		
- from Banks	12,125.94	5,900.03
- from Financial Institutions	12,522.76	1,194.79
Bank Over draft	-	287.39
Unsecured		
Loans repayable on demand from other parties	-	-
Lease Liability (Refer Note 47)	177.49	68.73
Total (A)	24,826.19	7,450.85
Borrowings India	24,826.19	7,450.85
Borrowings outside India	-	-
Total (B)	24,826.19	7,450.85
Current borrowings	1,246.47	-
Current maturities of Long term borrowings	10,851.29	352.72
Long term borrowings	12,728.43	7,098.13
Total (C)	24,826.19	7,450.85

The Group has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

Borrowings Disclosure

i) Term loans from Banks & Financial Institutions

(Rs. In Lakhs)

Tenure (from the date of the Balance Sheet)	Terms of Repayment	Rate of Interest	As at March 31, 2022	As at March 31, 2021
49-60 Months	Monthly Instalments	11.00%	355.76	464.28
37-48 Months	Monthly Instalments	9.75-13%	1,482.56	3,269.87
37-48 Months	Quarterly Instalments	11-13%	-	2,031.25
25-36 Months	Monthly Instalments	9.75%-13.45%	3,500.27	-
13-24 Months	Monthly Instalments	9.75%-14%	7,732.26	1,257.72
13-24 Months	Two Instalments	7-9%	-	500.53
25-36 Months	Quarterly Instalments	12.45%	156.25	-
13-24 Months	Quarterly Instalments	12.45%	625.00	-
Upto 12 Months	Quarterly Instalments	12.45%	625.00	-
Upto 12 Months	Monthly Instalments	6.75%-14%	11,475.74	-
Gross			25,952.84	7,523.65
Less: Effective Interest Rate Adjustment			(468.20)	(159.41)
Less: Capital Contribution by the Holding Company in the Form of Corporate Guarantee			(835.94)	(269.42)
Net			24,648.70	7,094.82

Nature of Security

The facility is secured on a first and exclusive charge basis by way of hypothecation over the portfolio loans in such a way that the security cover of 1.10 to 1.33 times is met. Further, The Group has provided additional security by way of lien on Fixed Deposits and Corporate Guarantee in certain cases.

ii) Bank Overdraft

(Rs. In Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2022	As at March 31, 2021
Upto 12 Months	-	-	287.39

Nature of Security
The facility is secured by pledge of gold ornaments.

18 Other financial liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unpaid dividends	17.03	18.95
Loan Pending Disbursal	-	10.29
Payable to employees	7.43	14.07
NPS Contribution	-	0.07
Other financial liabilities	192.92	14.74
Total	217.38	58.12

19 Provisions

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Gratuity (Refer Note 38)	43.74	16.83
Leave encashment (Refer Note 38)	57.08	47.51
PF and ESIC (Refer Note 38)	10.18	-
Total	111.00	64.34

20 Other non-financial liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from customers and others	247.91	74.94
Liability towards Statutory Dues	115.54	92.97
Unearned income	-	0.55
Total	363.45	168.46

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

21 Equity share capital

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a. Authorised Share Capital		
25,00,00,000 (March 31, 2021: 25,00,00,000) Equity Shares of Rs. 2 each	5,000.00	5,000.00
Total	5,000.00	5,000.00
b. Issued, Subscribed and Paid-up:		
8,88,38,939 (March 31, 2021: 7,64,62,145) Equity Shares of Rs. 2 each	1,776.78	1,529.24
Total	1,776.78	1,529.24

c. Reconciliation of number of equity shares: (Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	7,64,62,145	1,529.24	6,75,38,780	1,350.78
Issued during the year	1,23,76,794	247.54	89,23,365	178.46
Balance as at the end of the year	8,88,38,939	1,776.78	7,64,62,145	1,529.24

d. Details of shareholders holding more than 5% shares in the Company (Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of holding	No. of Shares	% of holding
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	5,78,69,685	65.14%	4,69,14,130	61.36%
Siddhi Jaiswal	-	-	39,12,855	5.11%
Total			5,08,26,985	

e. Shares of the Company held by the Holding Company

Particulars	As at March 31, 2022	As at March 31, 2021
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	5,78,69,685	4,69,14,130
Total	5,78,69,685	4,69,14,130

f. Shares reserved for issues under options (Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Equity shares of Rs. 2 each reserved for issue under employee stock option scheme	41,51,219	83.02	85,23,570	170.47

g. Terms and rights attached to equity shares

The Group has only one class of equity shares having a par value of Rs. 2/- per share. Each holder of equity shares is entitled to one vote per share.In the event of liquidation of The Group, the holders of equity shares will be entitled to receive remaining assets of The Group. The distribution will be proportional to the number of equity shares held by the shareholders.

h. The Company has not alloted any bonus shares for the period of 5 years immediately preceding March 31, 2022.

i. Proposed dividends on equity shares (Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Proposed dividend on equity shares for the year ended on March 31, 2022:Rs 0.01 per share (March 31, 2021: Rs. 0.01 per share)	8.88	7.65

i. Refer Note 41- Capital for the Company's objectives, policies and processes for managing capital

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

22 Other equity

(Rs. in Lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Securities Premium	(i)	4,497.14	2,027.51
Retained earnings	(ii)	1,047.94	715.82
Employee stock option outstanding reserve	(iii)	194.48	269.21
Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(iv)	437.55	291.07
Money received against share warrants	(v)	450.00	500.00
Share application money pending allotment	(vi)	1.64	2.92
Equity component of compound financial instruments	(vii)	7,685.52	4,376.42
Capital Contribution towards corporate gaurantee	(viii)	1,116.63	279.17
Total		**15,430.90**	**8,462.13**

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act,2013.

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**2,027.51**	**629.85**
Add: premium received on issue of shares	2,469.63	1,397.66
Balance at the end of the year	**4,497.14**	**2,027.51**

(ii) Retained earnings

Retained Earnings are the profits of The Group earned till date net of appropriations.

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**715.82**	**612.19**
Profit for the year	398.48	130.10
Add: Remeasurement of defined benefit plans (net of tax)	0.98	1.41
Less: Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act,	(146.48)	(13.69)
Add: Left Employee vested expenses reversed	86.79	0.19
Less: Dividends	(7.67)	(14.34)
Balance at the end of the year	**1,047.94**	**715.82**

(iii) Employee stock option outstanding reserves

Employee stock option outstanding reserves is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by The Group for employees of the group

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**269.21**	**120.16**
Add:Share based payment expense	(22.45)	153.29
Add:ESOP's granted to employees of Subsidiary Company	70.25	15.42
Less: Share based payment expense reversed for resigned employees	(86.79)	(0.19)
Less:Transfer to securities premium on account of exercise of Options	(35.75)	(19.47)
Balance at the end of the year	**194.48**	**269.21**

DHANVARSHA FINVEST LIMITED

BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

(iv) Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934

The Group maintains statutory reserve u/s 45-IC of Reserve Bank of India Act,1934 under which a specified amount is transferred from retained earnings

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	291.07	277.38
Add: Profit transferred during the year	146.48	13.69
Balance at the end of the year	**437.55**	**291.07**

(v) Money received against share warrants

money received against share warrants is to be made since shares are yet to be allotted against the share warrants

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	500.00	125.00
Add: Warrants issued during the year	-	875.00
Less: Options exercised during the year	(50.00)	(500.00)
Balance at the end of the year	**450.00**	**500.00**

(vi) Share application money pending allotment

The amount received on the application on which allotment is not yet made

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	2.92	-
Add: Application money received during the year	1.64	2.92
Less: Allotment made during the year	(2.92)	-
Balance at the end of the year	**1.64**	**2.92**

(vii) Equity component of compound financial instruments

This represent the equity component of compound financial instruments

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	4,376.42	-
Add: Equity component of compound financial instruments	3,309.10	4,376.42
Balance at the end of the year	**7,685.52**	**4,376.42**

(viii) Capital Contribution towards corporate gaurantee

This represent the Capital Contribution towards corporate gaurantee

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	279.17	-
Add: Capital Contribution by the Holding Company in the Form of Corporate Guarantee	837.46	279.17
Balance at the end of the year	**1,116.63**	**279.17**

DHANVARSHA FINVEST LIMITED

BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Dhanvarsha Finvest Limited
Consolidated Statement of profit and loss for the year ended March 31, 2022

23 Interest income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on loans (at amortised cost)	4,432.93	1,189.46
Interest on deposit with banks (at amortised cost)	99.64	34.27
Other interest Income	3.74	0.69
Total	4,536.31	1,224.41

24 Fees and commission income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Income from loan services	151.47	25.67
Income from other services	2,721.68	1,702.85
Total	2,873.15	1,728.52

Revenue from contracts with customers
Below is the revenue from contracts with customers and reconciliation to statement of profit and loss

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Type of Services		
Fee and commission income	2,873.15	1,728.52
Total revenue from contract with customers	2,873.15	1,728.52
Geographical markets		
India	2,873.15	1,728.52
Outside India	-	-
Total revenue from contract with customers	2,873.15	1,728.52
Timing of revenue recognition		
Services transferred at a point in time	2,873.15	1,728.52
Services transferred over time	-	-
Total revenue from contracts with customers	2,873.15	1,728.52

Contract balance

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Trade receivables	1,581.33	596.91
Contract Assets	-	-

The Group does not have any contract assets or liability, hence disclosures related to it has not been presented.

25 Net gain on fair value changes

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On Trading Portfolio		
- Investments	164.67	8.43
- Derivatives	-	-
(ii) Others	-	-
Total Net Gain on Fair Value Changes (B)	164.67	8.43
Fair value changes:		
Realised	-	11.17
Unrealised	164.67	(2.74)
Total Net Gain on Fair Value Changes (C)	164.67	8.43

* Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.

26 Other Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent income	-	-
Net gain/(loss) on derecognition of property, plant and equipment and investment property	-	-
Gain on foreign currency transactions	-	-
Recovery from written off accounts	5.39	-
Miscellaneous income	18.68	45.05
Total	24.07	45.05

BANSAL & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

Dhanvarsha Finvest Limited
Consolidated Statement of profit and loss for the year ended March 31, 2022

27 Finance costs

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
On Financial liabilities measured at amortized cost		
Interest on borrowings (other than debt securities)	2,122.52	407.57
Interest on debt securities	294.04	12.58
Other interest expense		
Interest on lease liabilities	18.67	2.98
Interest on taxes	0.74	-
Total	**2,435.97**	**423.13**

28 Fees and commission expense

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Commission	69.27	29.61
Total	**69.27**	**29.61**

29 Impairment on financial instruments

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loans	(4.35)	33.76
Receivable	93.61	2.57
Bad debts written off	118.08	7.34
Total	**207.34**	**43.67**

The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage

Year ended March 31, 2022

(Rs. in Lakhs)

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	(28.25)	(76.47)	100.36	-	(4.35)
Receivables	-	-	-	16.50	16.50
Total impairment loss	**(28.25)**	**(76.47)**	**100.36**	**16.50**	**12.15**

Year ended March 31, 2021

(Rs. in Lakhs)

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	(72.94)	23.25	83.46	-	33.76
Receivables	-	-	-	2.57	2.57
Total impairment loss	**(72.94)**	**23.25**	**83.46**	**2.57**	**36.33**

Dhanvarsha Finvest Limited
Consolidated Statement of profit and loss for the year ended March 31, 2022

30 Employee benefits expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	1,647.45	1,065.12
Gratuity Expenses (Refer Note 38)	28.07	11.53
Contribution to provident and other funds	102.34	57.93
Share Based Payments to employees	47.81	168.70
Staff welfare expenses	28.19	11.73
Total	**1,853.86**	**1,315.01**

31 Depreciation, amortization and impairment

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of property, plant and equipment (Refer Note 12)	339.70	73.74
Amortization of intangible assets (Refer Note 13)	134.99	53.33
Total	**474.69**	**127.07**

32 Others expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent, Rates and taxes	160.97	100.64
Repairs and maintenance	5.31	2.39
Energy Costs	21.93	12.95
Communication costs	20.48	10.38
Printing and stationery	21.80	9.09
Advertisement and publicity	139.75	16.64
Director's fees, allowances, and expenses	65.21	62.97
Auditor fees and expenses (Refer Note 32.1)	49.48	37.42
Legal and professional charges	596.00	261.57
Insurance	66.51	11.99
Other expenditure:		
- Annual Maintenance Charges	38.10	17.08
- Brokerage	197.97	11.92
- Donation	-	5.15
- GST Input Tax Credit written off	123.34	73.40
- Office Expenses	42.55	20.86
- Processing fee on co-lending business	23.72	15.56
- Software Licences Expenses	27.96	14.34
- Travel & Conveyance	101.39	16.69
- Website & Server Maintenance Expenses	105.04	26.60
- Miscellaneous Expenditure	37.75	62.06
Total	1,838.23	789.70

32.1 Auditor fees and expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As Auditor:		
- Statutory audit fees	15.75	15.00
- Limited review fees	10.25	8.25
- Tax audit fees	2.00	2.00
- Reimbursement of expenses	0.32	0.82
In other capacity:		
- Certification	21.14	11.35
Total	49.43	37.42

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

33 Income tax expense

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax		
Current tax on profits for the period	285.25	117.41
Adjustments for current tax of prior periods	-	1.32
Mat credit entitlement (Refer Note11)	-	-
Total Current Tax	**285.25**	**118.73**
Deferred tax expense (income)		
Decrease in deferred tax assets (Refer Note11)	35.11	29.39
Total deferred tax expense/(benefit)	**35.11**	**29.39**
Total tax expense	**320.36**	**148.12**

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate.

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2022 and year ended March 31, 2021 is, as follows:

33.1 Reconciliation of effective tax rate:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before income tax expense	718.84	278.22
Enacted income tax rate in India applicable to the Company 27.82% (2020-2021 – 27.82%)	199.98	77.40
Tax effect of:		
Permanent Disallowances	7.94	15.24
Deferred tax assets not created on OCI	0.18	0.54
Long term capital gain on sale of property	-	-
Difference in tax rates for short term capital gains	(18.27)	(1.24)
Provision for ESOP and Others	45.83	54.86
Tax in respect of earlier period	-	1.32
Total tax expense	**235.67**	**148.12**
Effective tax rate	32.78%	53.24%

33.2 Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity.

DHANVARSHA FINVEST LIMITED

BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

34 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit attributable to the equity holders of The Group (A)	398.48	130.10
Weighted Average number of equity shares for calculating Basic EPS (In lakhs) (B)	7,73,09,164	7,35,38,340
Adjustment for calculation of Diluted EPS on account of Diluted potential ordinary shares (C)	2,11,84,845.42	2,33,82,175
Weighted Average number of equity shares for calculating Diluted EPS (In lakhs) (D= B+C)	9,84,94,009	9,69,20,515
Basic earnings per equity shares in Rs.(face value of Rs. 2/- per share) (A) / (B)	0.52	0.18
Diluted earnings per equity shares in Rs.(face value of Rs. 2/- per share) (A) / (D)	0.45	0.14

35 Contingent liabilities & commitments

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Claims against the Company not aknowledged as debts		
Income tax matters under dispute	65.99	65.99
Commitments		
a) Capital commitments	1.65	-
(Estimated amount of contracts remaining to be executed on capital account and not provided for)	-	-
b) Loan sanction but undrawn	198.95	361.01
Total Commitments	**200.60**	**361.01**

36 Derivatives

The Group has no transactions / exposure in derivatives in the current and previous year. The Group has no unhedged foreign currency exposure as on March 31, 2022: Nil (March 31, 2021: Nil).

37 Uncertainties relating to the Global Health Pandemic from COVID-19 ("Covid-19")

The Group had granted moratorium upto six months on the payment of installments falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers based on the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and May 23, 2020 relating to 'COVID-19 - Regulatory Package' and RBI guidelines on EMI moratorium dated April 17, 2020. Further, period for which moratorium was granted had not been considered for computing days past due (DPD) as on March 31, 2021. Extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory package of the RBI and DPD freeze for such period by itself is not considered to result in significant increase in credit risk as per Ind AS 109 for staging of accounts. The Group continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The COVID -19 pandemic has significantly affected various sectors of Indian economy. The prolonged lockdown imposed by the government due to Covid-19 pandemic has affected The Group's business operations. During the year, The Group has scaled up the growth in the low risky sector. Further, there has been good collection efficiencies post completion of the moratorium period and none of the customers approached for one time restructuring benefit allowed under the Resolution Framework by Reserve Bank of India dated August 6, 2020 for COVID related stress to the borrowers. Basis the abovementioned factors, The Group estimates that no additional Expected Credit Loss (ECL) provision on Loans is required on account of COVID – 19 during the quarter and year ended March 31, 2021. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Group's management is continuously monitoring the situation and the economic factors affecting the operations of The Group.

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY CHARTERED ACCOUNTANTS MUMBAI

34 Employee benefits

(a) Compensated absences

The compensated absences charge for the year ended March 31, 2022 of Rs 25.55 lakhs (March 31, 2021 Rs 45.77 lakhs) has been charged in the Statement of Profit and Loss.

The liability for compensated absences based on actuarial valuation amounting as at the year ended March 31, 2022 is Rs. 50.37 lakhs (March 31, 2021 : Rs. 44.08 lakhs)

(b) Post employment obligations

I. Defined contribution plans

The Group has classified the various benefits provided to employees as under:

a. Provident Fund
b. Employees' Pension Scheme 1995
c. Employee State Insurance Scheme

The Group makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner . Under the schemes, The Group is required to contribute a specified percentage of payroll cost to fund the benefits. These funds are recognised by the Income Tax authorities.

The expense recognised during the period towards defined contribution plan -

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution to Provident Fund	67.41	39.19
Contribution to Employees' Pension Scheme 1995	32.01	17.23
Contribution to Employee State Insurance Scheme	2.82	1.46
Total	102.24	57.89

II. Defined benefit plans

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs 20 lakhs. The holding company has a funded gratuity plan while the Subsidiary Company has a unfunded gratuity plan.

The Holding Company has a defined benefit plan in India (Funded) while the Subsidiary Company has a defined benefit plan in India (unfunded). The Holding Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund where as the Subsidiary Company's defined benfit gratuity plan is a final salary plan for employees under which gratuity is paid from entity as and when it becomes due and is paid as per company scheme for gratuity.

For the Holding Company's plan, a separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by Rule 103 of Income Tax Rules, 1962. The Fund is managed by a trust which is governed by the Board of Trustees . The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year , there are no plan amendments, curtailments and settlements.

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

DHANVARSHA FINVEST LIMITED

RS

MUMBAI

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

(Rs. in Lakhs)

Defined benefit plans	For the year ended March 31, 2022 Gratuity (Funded)	For the year ended March 31, 2022 Gratuity (Un-funded)	For the year ended March 31, 2021 Gratuity (Funded)	For the year ended March 31, 2021 Gratuity (Un-funded)
Expenses recognised in statement of profit and loss during the year.				
Current service cost	10.44	16.34	10.15	0.96
Past service cost	-	-	-	-
Expected return on plan assets	-	-	-	-
Liability Transferred Out/ Divestments	7.82		-	-
Liability Transferred In/ Acquisitions	-	(7.82)		
Net interest cost / (income) on the net defined benefit liability / (asset)	0.61	0.41	0.42	-
Total expenses	18.87	8.92	10.57	0.96
Expenses recognised in other comprehensive income				
Actuarial (gains) / losses due to demographic assumption changes	1.41		-	-
Actuarial (gains) / losses due to financial assumption changes	-		-	-
Actuarial (gains)/ losses due to experience on defined benefit obligations	6.60	(7.84)	(2.10)	-
Return on plan assets excluding interest income	0.05		0.14	-
Total expenses	8.06	(7.84)	(1.95)	-
Net asset / (liability) recognised as at balance sheet date:				
Present value of defined benefit obligation at the end of the period	(42.53)	(7.05)	(16.72)	(5.97)
Fair value of plan assets	5.86	-	5.86	-
Net (Liability)/Asset Recognised in the Balance Sheet	(36.67)	(7.05)	(10.86)	(5.97)
Movements in present value of defined benefit obligation				
Present value of defined benefit obligation at the beginning of the year	16.72	5.97	12.92	-
Current service cost	10.44	16.34	10.15	0.96
Past service cost	-	-	-	-
Liability Transferred Out/ Divestments	7.82	-	(5.01)	-
Liability Transferred In/ Acquisitions	-	(7.82)	-	5.01
Interest cost	0.95	0.41	0.76	-
Actuarial (gain) / loss	6.60	(7.84)	(2.10)	-
Benefits paid	-	-	-	-
Present value of defined benefit obligation at the end of the year	42.53	7.05	16.72	5.97
Movements in fair value of the plan assets				
Opening fair value of plan assets			5.67	-
Interest Income	0.33	-	0.33	-
Expected return on plan assets			-	-
Expected returns on plan assets excluding Interest income	(0.05)	-	(0.14)	-
Actuarial (gains) / loss on plan assets	-	-	-	-
Contribution from employer	-	-	-	-
Benefits paid	-	-	-	-
Closing fair value of the plan asset	0.27	-	5.86	-
Maturity profile of defined benefit obligation				
Funding arrangements and funding policy				
Holding Company: The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.				
Subsidiary Company: Gratuity plan is unfunded				
The average outstanding term of the obligations (years) as at valuation date is 4 years for the funded plan and 14 years for the unfunded.				
Expected cash flows over the next (valued on undiscounted basis)				
1st Following Year	7.23	0.06	0.03	0.01
2nd Following Year	3.08	0.12	1.04	0.01
3rd Following Year	3.76	0.12	1.61	0.01
4th Following Year	5.56	0.18	1.88	0.01
5th Following Year	6.68	0.50	2.38	0.28
Sum of Years 6 To 10	22.53	2.57	8.79	1.59
Sum of Years 11 and above	20.91	22.37	10.81	24.92

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

(Rs. in Lakhs)

Quantitative sensitivity analysis for significant assumptions is as below:				
Increase / (decrease) on present value of defined benefit obligation at the end of the year	42.52	7.06	16.72	5.97
(i) +1% increase in discount rate	(2.41)	(0.91)	(1.11)	(0.97)
(ii) -1% decrease in discount rate	2.67	1.12	1.28	1.23
(iii) +1% increase in rate of salary increase	2.61	1.12	1.12	0.87
(iv) -1% decrease in rate of salary increase	(2.42)	(0.93)	(1.05)	(0.83)
(v) +1% increase in rate of Employee Turnover	(1.03)	(0.16)	(0.63)	(0.41)
(vi) -1% decrease in rate of Employee Turnover	1.06	0.15	0.67	0.45

Sensitivity analysis method

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and Company is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance Companies have to follow regulatory guidelines.

Composition of plan assets

Qualifying policy with Tata AIA Life Insurance Company Limited	100%	NA	100%	NA

Asset liability matching strategies

The Holding Company contributes to the insurance policy based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.

Actuarial assumptions:	As at March 31, 2022		As at March 31, 2021	
	Gratuity (Funded)	Gratuity (Unfunded)	Gratuity (Funded)	Gratuity (Unfunded)
1. Expected Return on Plan Assets	6.09%	NA	5.58%	NA
2. Discount rate	6.09%	6.82%	5.58%	6.82%
3. Expected rate of salary increase	6.55%	10.00%	10.00%	10.00%
4. Rate of Employee Turnover	18.00%	5.00%	18.00%	5.00%
5. Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult

Holding company (Funded Plan):

a) The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The Holding Company expects to make a contribution of Rs.35.50 lakhs to the defined benefit plans (gratuity - funded) during the next financial year.

d) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

Subsidiary company (Unfunded Plan):

a) Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

b) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 20 years.

c) Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

39 Segment Reporting

Operating segment are components of the group whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") of the Company to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group operates in a two reportable business segment i.e. Fund Based Activities and Advisory Services, which has similar risks and returns for the purpose of Ind AS 108 – "Operating segments".

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED		
Segment revenue		
Fund based activities	5,927.60	2,024.28
Advisory services	1,437.88	937.38
Total	**7,365.48**	**2,961.66**
Less : Inter segment revenue	-	-
Revenue from operations	**7,365.48**	**2,961.66**
Segment results		
Profit before tax from each segment :		
Fund based activities	405.94	58.17
Advisory services	435.74	180.70
Total	**841.68**	**238.87**
Add: Other Un-allocable Income net of expenditure	(122.84)	39.35
Profit before tax	**718.84**	**278.22**
Less: Income taxes	320.36	148.12
Profit after tax	**398.48**	**130.10**
Capital employed		
Segment assets		
Fund based activities	38,098.00	12,503.06
Advisory services	859.23	1,074.36
Unallocated	8,209.94	5,071.38
Total	**47,167.17**	**18,648.80**
Segment liabilities		
Fund based activities	29,515.46	8,348.78
Advisory services	406.78	228.93
Unallocated	36.85	79.71
Total	**29,959.49**	**8,657.43**
Capital expenditure		
Fund based activities	2,494.30	1,031.66
Advisory services	1,120.65	381.57
Depreciation and amortisation		
Fund based activities	327.12	91.97
Advisory services	147.58	36.00
Unallocated		-
Finance Cost		
Fund based activities	2,435.97	425.15
Advisory services	-	-
Unallocated	-	-
Other non-cash expenditure		
Fund based activities	207.34	43.67
Advisory services	-	-

Geographic Segment

All the assets of the Group and source of revenue of the Group is within India and hence, no separate geographical segment is identified.

DHANVARSHA FINVEST LIMITED

MUMBAI

Dhanvarsha Finvest Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2022

40 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, The Group uses the same basis of expected repayment behaviour as used for estimating the EIR.

(Rs. in Lakhs)

Assets	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financials Assets						
Cash and cash equivalents	5,855.55	-	5,855.55	3,222.53		3,222.53
Bank balances other than cash and cash equivalents	896.00	1,128.03	2,024.03	935.73	594.64	1,530.37
Receivables						-
(i)Trade Receivables	1,599.91	-	1,599.91	596.91	-	596.91
(ii)Other Receivables	46.96	-	46.96	112.10	-	112.10
Loans*	19,829.58	8,982.62	28,812.20	4,145.61	5,824.59	9,970.20
Investments	2,503.70	85.67	2,589.37	1,103.25	-	1,103.25
Other Financials Assets	571.74	-	571.74	93.20	-	93.20
Non Financials Assets						
Current Tax Assets (Net)	-	246.43	246.43	-	174.49	174.49
Deferred Tax Assets (Net)	-	83.93	83.93	-	119.25	119.25
Investment Property						
Property, Plant and Equipment	-	899.60	899.60	-	423.00	423.00
Right of use assets	-	637.38	637.38	-	518.82	518.82
Capital work -in- progress	-	194.23	194.23	-	78.46	78.46
Intangible assets under development	-	2,232.37	2,232.37	-	330.70	330.70
Other Intangible assets	-	720.36	720.36	-	191.69	191.69
Other non-financials assets	653.11	-	653.11	183.85	-	183.85
Non-current assets and disposal group held for sale	-	-	-	-	-	-
Total Assets	**31,956.55**	**15,210.63**	**47,167.17**	**10,393.18**	**8,255.63**	**18,648.80**

(Rs. In Lakhs)

Liabilities	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Liabilities						
Payables						
I)Trade payables	376.17	-	376.17	183.30	-	183.30
II)Other payables	206.98	-	206.98	69.61	-	69.61
Debt Securities	-	3,821.46	3,821.46	-	601.98	601.98
Borrowings (Other than Debt Securities)	12,100.74	12,725.45	24,826.19	315.10	7,135.75	7,450.86
Other financial liabilities	217.38	-	217.38	58.12	-	58.12
Non-Financial Liabilities						
Current tax liabilities(Net)	36.86	-	36.86	60.76	-	60.76
Provisions	10.18	100.81	111.00	23.87	40.47	64.34
Other non-financial liabilities	363.45	-	363.45	168.46	-	168.46
Total Liabilities	**13,311.76**	**16,647.73**	**29,959.49**	**879.24**	**7,778.20**	**8,657.44**

Net	18,644.79	(1,437.10)	17,207.68	9,513.95	477.44	9,991.37

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

41 Capital Management

The primary objective of The Group's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, The Group may adjust the amount of dividends paid to shareholders or issue new shares capital securities. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022.The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Group's adjusted net debt to equity ratio is as follows.

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Debt	28,647.65	8,052.82
Less: cash and cash equivalents	(5,855.56)	(3,222.53)
Less: Bank balances other than cash and cash equivalents	(2,024.03)	(1,530.37)
Adjusted net debt	**20,768.06**	**3,299.92**
Total Equity	17,207.68	9,991.37
Adjusted net debt to adjusted equity ratio	1.21	0.33

42 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

43 Change in liabilities arising from financing activities

(Rs. In Lakhs)

Particulars	April 1, 2021	Cash Flows	Changes in fair values	Exchange difference	Other**	As at March 31, 2022
Debt securities	601.98	9,582.89	-	-	(6,363.41)	3,821.46
Borrowings (other than debt securities)*	7,382.11	18,763.37	-	-	(1,496.78)	24,648.70
Lease Liabilities	68.73	(111.88)	-	-	220.64	177.49
Deposits	-	-	-	-	-	-
Total liabilities from financing activities	**8,052.82**	**28,234.38**	**-**	**-**	**(7,639.55)**	**28,647.65**

Particulars	April 1, 2020	Cash Flows	Changes in fair values	Exchange difference	Other**	As at March 31, 2021
Debt securities	-	5,000.00	-	-	(4,398.02)	601.98
Borrowings (other than debt securities)*	1,445.22	7,387.29	-	-	(1,450.40)	7,382.11
Lease Liabilities	115.53	(14.60)	-	-	(32.20)	68.73
Deposits	-	-	-	-	-	-
Total liabilities from financing activities	**1,560.75**	**12,372.69**	**-**	**-**	**(5,880.62)**	**8,052.82**

*Other than lease liabilities

**Other column includes creation of lease liabilities, Ind AS Adjustments & adjustments on account of Capital Contribution by the Holding Company in the Form of Corporate Guarantee.

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

44 Related party disclosures

A. Names of related parties with whom transaction have taken place and description of relationship:

Description of relationship	Name of the related party
Parent Company	M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)
Fellow Subsidiary:	Wilson Financial Services Private Limited (Wholly owned Subsidiary of Wilson Holdings Private Limited) Wilson Investment Adviser Private Limited (Wholly owned Subsidiary of Wilson Holdings Private Limited)
Key Management Personnel (KMP)	Mr. Karan Neale Desai, Whole Time Director and Chief Business Officer***
	Mr. Ashish Sharad Dalal, Non-Executive Director (Upto November 10, 2020)
	Mr. Nirmal Vinod Momaya, Independent Director
	Mr. Krishipal Tarachand Raghuvanshi, Independent Director
	Mr. Rakesh Inderjeet Sethi, Independent Director
	Mrs. Manjari Kacker, Independent Director (Upto October 30, 2021)
	Mr. Rajiv Prem Kapoor, Non-Executive Director*
	Mr. Rohanjeet Singh Juneja, Managing Director and Chief Executive Officer**
	Mrs. Minaxi Kishore Mehta, Non-Executive Non-Independent Director (w.e.f. June 10, 2021)
	Mr. Atwood Porter Collins, Non-Executive Non-Independent Director (w.e.f. July 31, 2021)
	Mr.Abha Kapoor, Independent Director (w.e.f. March 30, 2022)
	Mr. Narendra Kumar Tater, Chief Financial Officer (Upto July 31, 2020)
	Mr. M Vijay Mohan Reddy, Company Secretary (Upto July 31, 2020)
	Mr. Sanjay Kukreja, Chief Financial Officer (w.e.f. August 1, 2020)
	Mr. Fredrick Pinto, Company Secretary (Upto September 30, 2021)
	Mr. Lalit Mohan Chendvankar, Company Secretary (w.e.f. October 1, 2021)
Other Related Parties	Mrs. Minaxi Mehta (Promoter of Wilson Holdings Private Limited)
	Mr. Nimir Kishore Mehta (Relative of Promoter of Wilson Holdings Private Limited)
	Prolific Ventures Pvt Ltd (Promoter of Parent Company Having Significant Influence)
	Excelit Wellness Private Limited (Director Having Significant Influence)

*Change in designation of Mr. Rajiv Kapoor from Independent Director to Non-Executive Non-Independent Director with effect from March 30, 2022

** Change in designation of Mr. Rohanjeet Singh Juneja from Joint Managing Director to Managing Director and Chief Executive Officer with effect from March 12, 2022

***Change in designation of Mr. Karan Neale Desai from Joint Managing Director to Whole Time Director and Chief Business Officer with effect from March 12, 2022

B. Details of related party transactions:

(Rs. in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2022	For the year ended March 31, 2021
Parent Company M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)	Interest expense	-	93.95
	Reimbursement of expenses	-	28.13
	Loans Taken	-	675.00
	Loans repaid	-	1,905.00
	Interest Income	0.12	4.21
	Loans Given	-	305.00
	Loans repayment received	-	305.00
	Issue of share warrants	-	125.00
	Conversion of share warrants into Equity	-	500.00
	Conversion of UCCD into Equity	2,438.71	-
	Issue of Equity	-	1,030.00
	Issue of UCCD	-	4,500.00
	Capital Contribution towards corporate gaurantee	765.77	281.92
Fellow Subsidiary Wilson Financial Services Private Limited (from July 31, 2018) (Wholly owned Subsidiary of Wilson Holdings Private Limited)	Fees Paid	31.59	15.00
Wilson Investment Adviser Pvt Ltd (Wholly owned Subsidiary of Wilson Holdings Private Limited)	Professional Fees paid	23.30	-

(Rs. in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2022	For the year ended March 31, 2021
Key Management Personnel (KMP)			
Mr. Karan Neale Desai	Remuneration and Short-termemployee benefits*	66.58	53.20
	Reimbursement of expenses	6.63	7.19
	Issue of share warrants	-	100.00
	share-based payment	-	10.90
Mr. Narendra Kumar Tater	Remuneration and Short-termemployee benefits*	-	22.59
	Reimbursement of expenses	-	1.07
Mr. Vijay Mohan Reddy	Remuneration and Short-termemployee benefits*	-	14.69
	Reimbursement of expenses	-	0.13
Mr. Rohanjeet Singh Juneja	Remuneration and Short-termemployee benefits*	64.84	52.59
	Reimbursement of expenses	29.88	7.66
	Issue of share warrants	-	100.00
	share-based payment	23.23	-
Mr. Sanjay Kukreja	Remuneration and Short-termemployee benefits*	49.00	31.45
	Reimbursement of expenses	7.60	1.50
Mr. Fredrick Pinto	Remuneration and Short-termemployee benefits*	11.97	14.15
	Reimbursement of expenses	2.65	2.96
Mr. Lalit Mohan Chendvankar	Remuneration and Short-termemployee benefits*	43.92	-
	Reimbursement of expenses	4.09	-
Mr. Ashish Sharad Dalal	Sitting fees and commission	-	6.66
Mr. Nirmal Vinod Momaya	Sitting fees and commission	11.55	10.91
Mr. Krishipal Tarachand Raghuvanshi	Sitting fees and commission	9.05	11.41
Mrs. Manjari Kacker	Sitting fees and commission	9.55	12.66
Mr. Rakesh Inderjeet Sethi	Sitting fees and commission	10.05	10.16
Mr. Rajiv Kapoor	Sitting fees and commission	12.05	11.16
Mrs. Minaxi Kishore Mehta	Sitting fees and commission	8.30	-
Mr. Atwood Porter Collins	Sitting fees and commission	5.30	
Ms.Abha Kapoor	Sitting fees and commission	1.30	-
Other Related Parties			
Mrs. Minaxi Mehta	Issue of share warrants	-	125.00
	Rent paid	4.34	-
	Reimbursement of expenses	0.53	-
Mr. Nimir Kishore Mehta	Rent paid	16.29	24.76
	Reimbursement of expenses	3.44	0.62
Prolific Ventures Pvt Ltd	Rent paid	46.02	40.58
	Reimbursement of expenses	6.99	0.80
	Security deposit	21.92	-
	ROU Asset	78.89	464.83
Exerfit Wellness Private Limited	Staff Welfare expenses	2.87	0.20
	Sale of Fixed Assets	0.08	-

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

C. Details of balances outstanding for related party transactions:

(Rs. in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2022	For the year ended March 31, 2021
Parent Company			
M/s. Wilson Holdings Private Limited	Short Term borrowing taken	-	0.12
(Formerly known as M/s. Truvalue Agro	Equity Share Capital	6,030.82	938.28
	Share Warrants	125.00	125.00
	UCCD	2,061.29	4,500.00
	Capital Contribution towards corporate gaurantee	1,047.69	281.92
	Interest Paid on UCCD	88.80	-
Fellow Subsidiary			
Wilson Investment Adviser Pvt Ltd (Wholly owned Subsidiary of Wilson Holdings Private Limited)	Trade Payables	9.48	-
Key Management Personnel (KMP)			
Mr. Ashish Sharad Dahl	Sitting fees and commission	-	0.58
Mr. Nirmal Vinod Momaya	Sitting fees and commission	1.17	0.58
Mr. Krishipal Tarachand Raghuvanshi	Sitting fees and commission	1.17	0.58
Mrs. Manjari Kacker	Sitting fees and commission	1.17	0.58
Mr. Rakesh Inderjeet Sethi	Sitting fees and commission	1.17	0.61
Mr. Rajiv Kapoor	Sitting fees and commission	1.17	0.61
Mr. Atwood Porter Collins	Sitting fees and commission	1.03	-
Ms.Abha Kapoor	Sitting fees and commision	1.17	-
Mr. Karan Neale Desai	Reimbursement of expenses	0.12	-
	Equity Share Capital	3.63	3.63
	Share Warrants	100.00	100.00
Mr. Rohanjeet Singh Juneja	Reimbursement of expenses	0.31	-
	Share Warrants	100.00	100.00
Mr. Sanjay Kukreja	Reimbursement of expenses	-	0.48
Other Related Parties			
Mrs. Minaxi Mehta	Share Warrants	125.00	125.00
	Trade Payables	0.07	-
Mr. Nimir Kishore Mehta	Trade Payables	0.79	3.28
Prolific Ventures Pvt Ltd	Trade Payables	1.88	11.07
	Security deposit	28.82	6.90

*As the future liability for gratuity and compensated absences is provided on an actuarial basis for The Group as a whole, the amount pertaining to individual is not ascertainable and therefore not included above

D The options granted and outstanding for the key managerial personnel as of March 31, 2022 and March 31, 2021 is as provided below:

Name of the KMP	Grant Date	Expiry date	Exercise Price	Shares outstanding	
				Mar-22	Mar-21
Mr. Karan Neale Desai	05-11-2018	04-11-2025	6.00	16,35,700	16,35,700
Mr. Karan Neale Desai	17-12-2019	16-12-2026	10.00	11,82,555	11,82,555
Mr. Rohanjeet Singh Juneja	17-12-2019	16-12-2026	10.00	29,50,000	30,00,000
Mr. Karan Neale Desai	31-07-2020	01-08-2028	10.00	3,75,000	3,75,000
Mr. Rohanjeet Singh Juneja	31-07-2020	01-08-2028	10.00	3,75,000	3,75,000
Total				65,18,255	65,68,255

E The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

DHANVARSHA FINVEST LIMITED

BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

45 Fair Value Measurement

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs. in Lakhs)

Financial Assets and Liabilities as at March 31, 2022	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	5,855.55	5,855.55	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	2,024.03	2,024.03	-	-	-	-
Receivables	-	-			-	-	-	-
Trade receivables	-	-	1,599.91	1,599.91	-	-	-	-
Other receivables	-	-	46.96	46.96	-	-	-	-
Loans	-	-	28,812.70	28,813.20	-	-	-	-
Investments	2,503.70	-	85.67	2,589.37	2,503.70	-	-	2,503.70
Other financials assets	-	-	571.74	571.74	-	-	-	-
Total	**2,503.70**	-	**38,996.07**	**41,499.76**	**2,503.70**	-	-	**2,503.70**
Financial Liabilities								
Payables								
Trade payables	-	-	376.17	376.17	-	-	-	-
Other payables	-	-	206.98	206.98	-	-	-	-
Debt Securities	-	-	3,821.46	3,821.46	-	-	-	-
Borrowings (Other than debt securities)	-	-	24,826.19	24,826.19	-	-	-	-
Other financial liabilities	-	-	217.38	217.38	-	-	-	-
Total	-	-	**29,448.19**	**29,448.19**	-	-	-	-

(Rs. in Lakhs)

Financial Assets and Liabilities as at March 31, 2021	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	3,222.53	3,222.53	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	1,530.37	1,530.37	-	-	-	-
Receivables								
Trade receivables	-	-	596.91	596.91	-	-	-	-
Other receivables	-	-	112.10	112.10	-	-	-	-
Loans	-	-	9,970.19	9,970.19	-	-	-	-
Investments	1,103.25	-	-	1,103.25	1,103.25	-	-	1,103.25
Other financials assets	-	-	93.20	93.20	-	-	-	-
Total	**1,103.25**	-	**15,525.30**	**16,628.55**	**1,103.25**	-	-	**1,103.25**
Financial Liabilities								
Payables								
Trade payables	-	-	183.30	183.30	-	-	-	-
Other payables	-	-	49.61	69.61	-	-	-	-
Debt Securities	-	-	661.98	661.98	-	-	-	-
Borrowings (Other than debt securities)	-	-	7,450.85	7,450.85	-	-	-	-
Other financial liabilities	-	-	58.12	58.12	-	-	-	-
Total	-	-	**8,363.86**	**8,363.86**	-	-	-	-

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a. The carrying amounts of trade receivables, trade payables, other receivables, cash and cash equivalent including other bank balances , other financials assets and other financial liabilities , etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b. Financial instruments with fixed interest rates are evaluated by The Group based on parameters such as interest rates and individual credit worthiness of the counterparty.Based on this evaluation, allowances if required, are taken to account for expected losses of these instruments.Thus, Amortised cost shown in A. above, is after adjusting ECL amount.

c. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Company-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

C. Valuation techniques used to determine fair value

Investments in Mutual Funds

The fair values of investments in mutual funds is based on the net asset value ("NAV") as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date.

NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

D.Transfers between Level 1 and Level 2 and between Level 1 and Level 3

There were no transfers between level 1 and 2 and between Level 1 and Level 3 during the period. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED

46 Financial Risk Management

The Group has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of The Group. Together they help in achieving the business goals and objectives consistent with The Group's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committtees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Group's financial risk management is an integral part of how to plan and execute its business strategies.

The Group has exposure to the following risks arising from financial instruments:
- Credit risk
- Liquidity risk and
- Market risk
- Climate related risk

(A) Credit Risk

Credit risk is the risk of financial loss to The Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from The Group's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by The Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which The Group grants credit terms in the normal course of business.

Summary of The Group's exposure to credit risk by age of the outstanding from various customers is as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Outstanding for a period not exceeding six months	1,567.50	504.12
Outstanding for a period exceeding six months	50.97	95.36
Gross Trade Receivables	**1,618.47**	**599.48**
Less: Impairment Loss	(18.57)	(2.57)
Net Trade Receivables	**1,599.90**	**596.91**

On account of adoption of Ind AS 109, The Group uses expected credit loss model to assess the impairment loss. The Group computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and The Group's historical experience for customers. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

ii) Loans and financial assets measured at amortized cost

The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due -

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
0-30 Days Past Due		
Secured	10,211.87	4,848.51
Unsecured	14,601.17	3,983.54
30-90 Days Past due		
Secured	3,001.57	976.40
Unsecured	547.63	195.29
More than 90 Days Past Due		
Secured	591.44	352.84
Unsecured	326.21	90.65
Total	**29,279.89**	**10,442.23**

The Group reviews the credit quality of its loans based on the ageing of the loan at the period end. Since The Group is into small ticket loan business, there is no significant credit risk of any individual customer that may impact Company adversely, and hence The Group has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Group categorises loan assets into stages primarily based on the Months Past Due status.

Stage 1 : 0-30 days past due

Stage 2 : 31-90 days past due

Stage 3 : More than 90 days past due

(i) Definition of default

The Group considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

(ii) Exposure at default

"Exposure at Default" (EAD) represents the gross carrying amount of the assets subject to impairment calculation.

BANSAL BANSAL & COMPANY CHARTERED ACCOUNTANTS MUMBAI

DHANVARSHA FINVEST LIMITED

(iii) Estimations and assumptions considered in the ECL model

Measurement of Expected Credit Losses
The Group has applied a three-stage approach to measure expected credit losses (ECL) on debt instruments accounted for at amortised cost. Assets migrate through following three stages based on the changes in credit quality since initial recognition:

(a) Stage 1: 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.

(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit- impaired, a lifetime ECL is recognised.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost.

At each reporting date, The Group assesses whether there has been a significant increase in credit risk of its financial assets since initial recognition by comparing the risk of default occurring over the expected life of the asset. In determining whether credit risk has increased significantly since initial recognition, The Group uses information that is relevant and available without undue cost or effort. This includes The Group's internal credit rating grading system, external risk ratings and forward-looking information to assess deterioration in credit quality of a financial asset.

The Group assesses whether the credit risk on a financial asset has increased significantly on an individual and collective basis. For the purpose of collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account accounting instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower, collateral type, and other relevant factors. For the purpose of individual evaluation of impairment factors such as internally collected data on customer payment record, utilisation of granted credit limits and information obtained during the periodic review of customer records such as audited financial statements, budgets and projections are considered.

In determining whether the credit risk on a financial asset has increased significantly, the Group considers the change in the risk of a default occurring since initial recognition. The default definition used for such assessment is consistent with that used for internal credit risk management purposes.

The Group considers defaulted assets as those which are contractually past due 90 days, other than those assets where there is empirical evidence to the contrary. Financial assets which are contractually past due 30 days are classified under Stage 2 - life time ECL, not credit impaired, barring those where there is empirical evidence to the contrary. The Group considers financial instruments (typically the retail loans) to have low credit risk if they are rated internally or externally within the investment grade. An asset migrates down the ECL stage based on the change in the risk of a default occurring since initial recognition. If in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loan loss provision stage reverses to 12-months ECL from lifetime ECL.

The Group measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Group considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the Group's internally developed statistical models and other historical data.

Macroeconomic Scenarios
In addition, the Group uses reasonable and supportable information on future economic conditions including macroeconomic factors such as CPI and repo rate. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly.

(iv) Policy for write off of Loan assets
The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when The Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under The Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets under "Other Income" in Statement of profit and loss.

An analysis of changes in the gross carrying amount and the corresponding ECLs as follows :

Gross exposure reconciliation

(Rs. In Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1, 2020	**2,995.86**	**500.98**	**226.97**	**3,723.81**
New loans originated during the year	6,988.84	273.20	0.24	7,262.27
Transfers to Stage 1	0.79	(0.17)	(0.62)	-
Transfers to Stage 2	(353.94)	353.94	-	-
Transfers to Stage 3	(35.35)	(174.35)	209.70	-
Write-offs	(0.50)	-	(6.79)	(7.28)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(368.09)	18.08	13.99	(336.11)
Gross carrying amount balance as at March 31, 2021	**8,827.05**	**1,171.69**	**443.49**	**10,442.22**
New loans originated during the year	21,495.63	2,300.30	258.99	24,054.92
Transfers to Stage 1	87.32	-	-	87.32
Transfers to Stage 2	(570.16)	417.12	-	(153.04)
Transfers to Stage 3	(146.35)	-	217.06	63.77
Write-offs	-	-	(118.08)	(118.08)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(4,880.90)	(339.83)	121.18	(5,099.58)
Gross carrying amount balance as at March 31, 2022	**24,813.04**	**3,549.26**	**917.65**	**29,279.89**

Reconciliation of ECL balance

(Rs. in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL Allowance- Opening Balance as at April 1, 2020	**166.20**	**171.35**	**120.73**	**458.28**
New loans originated during the year	59.79	23.84	0.19	83.82
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(81.80)	81.80	-	-
Transfers to Stage 3	(18.37)	(75.80)	94.17	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(31.85)	(6.80)	(7.50)	(46.15)
Amounts Written off	(0.01)	-	(3.40)	(3.41)
ECL Allowance- Closing Balances as on March 31, 2021	**93.96**	**194.39**	**204.19**	**492.54**
New loans originated during the year	43.84	9.32	199.28	252.44
Transfers to Stage 1	8.14	-	-	8.14
Transfers to Stage 2	(28.99)	(1.76)	-	(30.75)
Transfers to Stage 3	(31.03)	32.48	17.18	18.63
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(24.21)	(116.38)	(106.07)	(246.75)
Amounts Written off	-	-	-	-
ECL Allowance- Closing Balances as on March 31, 2022	**65.01**	**98.14**	**304.55**	**467.69**

iii. Cash and bank balances
The Group held cash and cash equivalent and other bank balance of Rs. 7879.58 lakhs at March 31, 2022 (March 31, 2021: Rs. 4752.90 lakhs). The same are held with bank and financial institution counterparties with good credit rating. Also, Company invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose The Group to credit risk.

iv. Others
Apart from trade receivables, loans, cash and bank balances and investment measured at amortised cost , The Group has no other financial assets which carries any significant credit risk.

(B) Liquidity risk
Liquidity risk is the risk that The Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to The Group's reputation. Management monitors rolling forecasts of The Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

MUMBAI

(i) Maturities of financial assets and liabilities

The table below analyses The Group's financial liabilities and financial assets into relevant maturity groupings based on the remaining period as at the reporting date to contractual maturity date. The amount disclosed in the below table are the contractual un-discounted cash flows and exclude the impact of future interest payments.

(Rs. in Lakhs)

Contractual maturities of financial assets March 31, 2022	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	5,855.55	-	-	5,855.55
Bank balances other than cash and cash equivalents	2,024.03	-	-	2,024.03
Receivables				
Trade receivables	1,599.91	-	-	1,599.91
Other receivables	46.96	-	-	46.96
Loans	19,829.58	6,116.73	2,865.89	28,812.20
Investments	2,503.70	-	85.67	2,589.37
Other Financials Assets	571.74	-	-	571.74
Total	**32,431.48**	**6,116.73**	**2,951.56**	**41,499.76**
Contractual maturities of financial liabilities March 31, 2022	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	376.17	-	-	376.17
Other payables	206.98	-	-	206.98
Debt Securities	126.98	3,319.49	375.00	3,821.46
Borrowings (other than debt securities)	-	-	24,826.19	24,826.19
Other financial liabilities	217.38	-	-	217.38
Total	**927.51**	**3,319.49**	**25,201.19**	**29,448.19**

(Rs. in Lakhs)

Contractual maturities of financial assets March 31, 2021	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	3,222.53	-	-	3,222.53
Bank balances other than cash and cash equivalents	957.87	82.50	490.00	1,530.37
Receivables				
Trade receivables	596.91	-	-	596.91
Other receivables	112.10	-	-	112.10
Loans	4,145.61	3,179.00	3,117.61	10,442.22
Investments	1,103.25	-	-	1,103.25
Other financials assets	93.20	-	-	93.20
Total	**10,231.47**	**3,261.50**	**3,607.61**	**17,100.58**
Contractual maturities of financial liabilities March 31, 2021	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	183.30	-	-	183.30
Other payables	69.61	-	-	69.61
Debt Securities	-	505.00	-	505.00
Borrowings (Other than Debt Securities)	1,156.42	4,749.16	1,960.12	7,865.70
Other financial liabilities	58.12	-	-	58.12
Total	**1,467.45**	**5,254.16**	**1,960.12**	**8,681.73**

(Rs. in Lakhs)

Contractual maturities of financial assets April 1, 2020	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	170.84	-	-	170.84
Bank balances other than cash and cash equivalents	177.94	-	-	177.94
Receivables				
Trade receivables	118.17	-	-	118.17
Other receivables	-	-	-	-
Loans	616.91	901.88	2,210.17	3,728.96
Investments	128.41	-	-	128.41
Other financials assets	334.52	8.45	0.19	343.16
Total	**1,546.79**	**910.33**	**2,210.36**	**4,667.48**
Contractual maturities of financial liabilities April 1, 2020	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	36.44	-	-	36.44
Other payables	-	-	-	-
Borrowings (Other than Debt Securities)	1,185.55	271.18	285.18	1,741.91
Other financial liabilities	36.26	-	-	36.26
Total	**1,258.25**	**271.18**	**285.18**	**1,814.61**

MUMBAI

(C) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect The Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group's exposure to, and management of, these risks is explained below.

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group caters mainly to the Indian Market. Most of the transactions are denominated in The Group's functional currency i.e. Rupees. Hence The Group is not materially exposed to Foreign Currency Risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to The Group's long term debt obligation at floating interest rates. The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

The exposure of The Group's borrowing to interest rate changes at the end of the reporting year are as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed rate borrowings	25,949.60	7,696.79
Floating rate borrowings	-	287.30

Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, The Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

The interest rate profile of The Group's interest bearing financial instruments is as follows:

Particulars	For the year ended March 31, 2022	
	100bps Increase	100bps decrease
Financial Liability		
Variable rate Instrument		
Floating Rate Borrowings		(2.87)

(iii) Price Risk

The Group's exposure to mutual fund is exposed to price risk and classified in the balance sheet at fair value through profit or loss. 100 bps increase in Net Assets Value (NAV) would increase profit before tax by approximately Rs. 00.00 lakhs (March 31, 2021: Rs. 00.00 lakhs). A similar percentage decrease would have resulted equivalent opposite impact.

(C) Climate related risk

During the financial year March 31, 2022, the Board have updated extensively on climate change related risks through presentations at the board meeting, and this has been assessed that the climate change not affecting significantly the company's operations in future.

DHANVARSHA FINVEST LIMITED

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

47 Disclosure related to leases

(A) Additions to right to use

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease hold Property	303.01	549.18

(B) Carrying value of right of use assets at the end of the reporting year

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	518.82	113.10
Additions	303.01	549.18
Deletion	-	113.10
Depreciation charge for the year	184.46	30.36
Balance at the end of the year	**637.38**	**518.82**

(C) Maturity analysis of lease liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	150.33	41.34
One to five years	451.43	35.58
More than five years	98.20	-
Total undiscounted lease liabilities at reporting period	**699.96**	**76.92**
Lease liabilities included in the statement of financial position at the year ended	**177.49**	**68.73**

(D) Amounts recognised in statement of profit or loss

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	18.68	2.98
Expenses relating to short-term leases	90.04	65.04
Expenses relating to leases of low-value assets	-	-
Total	**108.73**	**68.02**

(E) Amounts recognised in the statement of cash flows

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Operating Activity	90.04	65.04
Financial Activity	111.88	14.60
Total Cash outflow for leases	**201.92**	**79.64**

Sub Lease

When The Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the rightof- use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

DHANVARSHA FINVEST LIMITED

BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

48 Employee Stock Options Scheme (ESOP)

The Group has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2018 (ESOP 2018) to employees of The Group . These options are vested during 4 years from the grant date and exercisable with in 4 years from vesting date.In the case of resignation of the employee, the grants lapse (if not exercised) after the date of resignation from service.Vesting of options is subject to continued employment with The Group. The plan is an equity settled plan. The employee compensation expense for the year has been determined on fair value basis as on March 31, 2022. The said ESOPs will start its vesting period from November 5, 2019. The details of which are as follows.

ESOP Scheme	Particulars	Date of Grant	Date of Board Approval	Total options granted
ESOP Scheme 2018	Grant 1	05-Nov-18	05-Nov-18	55,88,550
ESOP Scheme 2018	Grant 2	22-May-19	22-May-19	5,68,710
ESOP Scheme 2018	Grant 3	17-Dec-19	17-Dec-19	41,82,555
ESOP Scheme 2018	Grant 4	31-Jul-20	31-Jul-20	7,50,000
ESOP Scheme 2018	Grant 5	31-Jul-20	31-Jul-20	6,75,000

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Series Reference	2019-2023		2020-2024		2020-2024		2020-2024		2020-2024	
	T-1		T-2		T-3		T-4		T-5	
Fair value of the option range	23.39 - 23.98		31.44 - 34.87		41.36 - 44.82		51.81 - 65.38		51.81 - 65.38	
Exercise price	6		10		10		10		14	
Vesting period (see table below)	12 to 48 months		12 to 48 months		12 to 48 months		12 to 48 months		12 to 48 months	
Method of settlement	Equity		Equity		Equity		Equity		Equity	
Options outstanding as at beginning of reporting period	25,04,415	46,42,515	4,11,600	4,47,740	41,82,555	41,82,555	7,50,000	-	6,75,000	-
Options granted during the year	-	-	-	-	-	-	-	7,50,000	-	6,75,000
Options lapse during the year	-	1,46,360	-	-	-	-	-	-	-	-
Options Forfeited during the year	16,50,630	16,74,005	-	-	11,82,555		3,75,000		6,07,500	
Options exercised during the year	3,40,982	3,17,735	98,183	36,140	50,000	-	-	-	67,500	-
Options outstanding as at end of reporting period	5,12,802	25,04,415	3,13,417	4,11,600	29,50,000	41,82,555	3,75,000	7,50,000	-	6,75,000

Manner of vesting: In a graded manner over a 4 year period with 10%, 20%, 30% and 40% of the grants vesting in each year commencing from the start date of the first tranche.
In respect of stock options granted pursuant to The Group's stock option scheme, the fair value of the options is treated as discount and accounted as "Expenses on Employee Stock Option Plan" over the vesting period.
Expenses on Employee Stock Option Plan debited to Statement of Profit and Loss during the year 2021-22 is Rs. (22.45) lakhs (2020-21 Rs. 153.29 lakhs)

48.1 Fair valuation :

The fair value of options have been calculated on the date of the grant, using Black-Scholes model by an external firm of valuer.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of the grant are:

Grant Date	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of Underlying share at the time of option grant
05-Nov-18	7.36% - 7.86%	4.5 to 6 years	46.1%-47.9%	0.0229	43.8
22-May-19	6.86% - 7.41%	4.5 to 6 years	46.50%	0.0073	61.5
17-Dec-19	6.86% - 7.41%	4.5 to 6 years	46.50%	0.0073	73.9
31-Jul-20	5.13% - 5.64%	4.5 to 6 years	45.00%	0.0052	98.5
31-Jul-20	5.13% - 5.64%	4.5 to 6 years	45.00%	0.0052	98.5

48.2 Total carrying amount at the end of the year in Employee Stock Options under other equity

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total carrying amount	194.48	289.21

49 Additional information, as required under schedule III of the Company Act, 2013 of enterprises consolidated as subsidiaries:

(Rs. in Lakhs)

As on March 31,2022	Net Assets i.e Total Assets minus Total		Share In Profit or Loss		Share In OCI		Share in Total Comprehensive Income	
Name of the Enterprise	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)
Parent								
Dhanvarsha Finvest Limited	101.08%	17,394.12	185.01%	737.21	100.00%	(4.81)	183.29%	732.40
Subsidiaries								
DFL Technologies Private Limited	13.45%	2,313.66	(85.01%)	(338.73)	-	-	(83.38%)	(332.94)
Total	-	19,707.78	-	398.48	-	(4.81)	-	399.46
Adjustments arising out of Consolidation	(14.53%)	(2,500.10)	0.00%	0.00	-	5.79	0.00%	0.00
Consolidated Figures	100.00%	17,207.68	100.00%	398.48	100.00%	0.98	100.00%	399.46

(Rs. in Lakhs)

As on March 31,2021	Net Assets i.e Total		Share In Profit or Loss		Share In OCI		Share in Total	
Name of the Enterprise	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)
Parent								
Dhanvarsha Finvest Limited	99.45%	9,936.35	52.61%	68.45	100.00%	1.41	53.13%	69.86
Subsidiaries								
DFL Technologies Private Limited	7.77%	776.25	49.68%	64.63	-	-	49.15%	64.63
Total	-	10,712.59	-	133.08	-	1.41	-	134.50
Adjustments arising out of Consolidation	(7.22%)	(721.13)	(2.30%)	(2.99)	-	-	(2.28%)	(2.99)
Consolidated Figures	100.00%	9,991.37	100.00%	130.10	100.00%	1.41	100.00%	131.51

MUMBAI

DHANVARSHA FINVEST LIMITED

50 Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated September 3, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. However, such accounts had been classified as stage 3 in accordance with Note No.9 and provision had been made accordingly.

The interim order stood vacated on March 23, 2021 vide the judgement of the Hon'ble Supreme Court in the matter of Small Scale Industrial manufacturers Association v/s UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17 DOR. STR. REC. 4/ 21.04.048/ 2021-22 dated April 07, 2021 issued in this connection. Since, The Group was already classifying the NPA accounts as Stage 3 and provision was made accordingly, without considering the above mentioned asset classification benefit for accounting purpose, there is no change in asset classification on account of the interim order dated March 23, 2021.

51 In accordance with the instructions in abovementioned RBI circular dated April 7, 2021, and the Indian Banks Association (IBA) advisory letter dated April 19, 2021, The Group has put in place the board approved policy to refund / adjust the interest on interest charged during the moratorium period of March 01, 2020 to August 31, 2020 to eligible borrowers under the abovementioned circular and advisory. The Group has no borrowers who are eligible for benefit as per the abovementioned RBI circular and IBA advisory.

52 During the year ended March 31, 2021, The Group has not invoked resolution plans to relieve COVID-19 pandemic related stress to any of its borrowers. Therefore, disclosure as per the format prescribed as per the notification no. RBI/2020-21/16 DOR.NO.BP.BC/3.21.04.048/2020-21 dated August 6, 2020 for the year ended March 31, 2021 is not applicable to The Group.

53 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by The Group towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

54 Financial Ratios

Particulars	As at March 31, 2022	As at March 31, 2021
Current ratio	NA	NA
Debt equity ratio	1.69	0.81
Leverage ratio	1.78	0.96

55 Other Regulatory Informations

(i) Title deeds of Immovable properties not held in name of the company:

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in note(s) [*] [add additional references for investment properties and other line items where applicable] to the financial statements, are held in the name of the company.

(ii) Registration of charges or satisfaction with Registrar of Companies:

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(iii) Utilisation of borrowings availed from banks and financial institutions:

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans was taken.

56 Corporate social responsibility: As per the provisions of Section 135 of the Companies Act 2013, the Company was required to contribute an amount of INR 34 lakhs towards CSR activities.

DHANVARSHA FINVEST LIMITED
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BANSAL BANSAL & COMPANY
MUMBAI
CHARTERED ACCOUNTANTS

57 a) Details of benami property held:

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b) Borrowing secured against current assets:

The Group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks and financial institutions are in agreement with the books of accounts.

c) Wilful defaulter:

The Group have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d) Relationship with struck off companies:

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

e) Compliance with number of layers of companies:

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

f) Compliance with approved scheme(s) of arrangements:

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

g) Utilisation of borrowed funds and share premium:

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

h) Undisclosed income:

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

i) Details of crypto currency or virtual currency:

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

j) Valuation of PP&E, intangible asset and investment property:

The company has not revalued its property, plant and equipment (excluding right-of-use assets) or intangible assets or both during the current or previous year.

58 Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co.
Chartered Accountants
ICAI FRN 100986W

BANSAL BANSAL & COMPANY MUMBAI CHARTERED ACCOUNTANTS

Jatin Bansal
Partner
Membership No. 1353[illegible]
Mumbai
Date : May 30, 2022

Rohanjeet Singh Juneja
Managing Director
DIN: 08342094

Minaxi Kishore Mehta
Non-Executive
Non-Independent Director
DIN: 03050609

Sanjay Kukreja
Chief Financial Officer
Date : May 30, 2022

Lalit Mohan Chendvankar
Company Secretary
M. No. 20699
Date : May 30, 2022

HARIBHAKTI & CO. LLP
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Dhanvarsha Finvest Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Dhanvarsha Finvest Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Ind AS financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters that are to be communicated in our report.

MUMBAI CHARTERED ACCOUNTANTS

Key audit matter	How our audit addressed the key audit matter
Impairment of loans and advances (*as described in Note 7,37, 47 and 48 of the Standalone Ind AS financial statements*)	
Ind AS 109 requires the Company to provide for impairment of its Loans and Receivables (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss ("ECL") approach. ECL approach involves an estimation of the probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgment has been applied by the Management for: • Staging of loans [i.e. classification in 'significant increase in credit risk' ('SICR') and 'default' categories]; • Grouping of borrowers based on homogeneity by using appropriate statistical techniques; • Estimation of behavioral life; • Determining macro-economic factors impacting credit quality of receivables; • Estimation of losses for loan products with no/ minimal historical defaults. **Additional considerations on account of COVID-19** Pursuant to the Reserve Bank of India circular dated 27 March 2020 , April 17, 2020 and 23 May 2020 ('RBI circular') allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between 1 March 2020 and 31 August 2020, the Company has extended moratorium to its borrowers in accordance with its approved Board policy. In Management's view and considering the guidance provided by the Institute of Chartered Accountants of India, providing moratorium to borrowers	We have started our audit procedures with understanding of the internal control environment related to impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company. For loans and advances which are assessed for impairment on a portfolio basis we performed particularly the following procedures: • We tested the reliability of key data inputs and related management controls; • We checked the stage classification as at the balance sheet date in accordance with the definition of Default of the Company; • We recalculated the ECL provision for selected samples; • We have reviewed the process of the Company to grant moratorium to the borrowers as per the Regulatory Package announced by the Reserve Bank of India ("RBI"). Further, we have relied on the assumption of the management that there will be no significant increase in the credit risk in the cases where moratorium is given and that the staging based on the days past due ("DPD") will be considered as per the RBI COVID-19 Regulatory Package. We have tested on samples basis the DPD freeze for cases where moratorium is provided and not provided in accordance with RBI COVID-19 Regulatory Package; • We have checked the provision on Loan Assets as per IRACP norms as required under RBI circular dated March 13, 2020. We have checked the DPD and provision in accordance with the RBI regulations in that regard further considering the COVID-19 related Regulatory Packages issued by RBI; and • With respect to impact assessment on provision for ECL on account of the impact of COVID-19 pandemic, we broadly reviewed the underlying assumptions and estimates used by

at a mass scale, based on RBI directives, by itself is not considered to result in a SICR for such borrowers. During the year, the Company has scaled up the growth in the low risky sector. Further, there has been good collection efficiencies post completion of the moratorium period and none of the customers approached for one- time restructuring benefit allowed under the Resolution Framework by Reserve Bank of India dated August 6, 2020 for COVID-19 related stress to the borrowers. Basis the abovementioned factors, the Company estimates that no additional ECL provision on Loans is required on account of COVID - 19 during the year ended March 31, 2021. The impact of COVID-19 is dynamic, evolving, uncertain and based on the current situation. In view of the high degree of management's judgment involved in estimation of ECL, accentuated by the COVID-19 pandemic, impairment of Loans and advances has been identified as a Key Audit Matter.	the management for the same as the extent of impact is dependent on future developments which are highly uncertain, we have primarily relied on those assumptions and estimates. These assumptions and estimates are a subject matter of periodic review by the Company.

Emphasis of Matter

We draw attention to Note 37 to the accompanying Statement, which describes the staging of accounts to whom moratorium benefit was extended in accordance with the RBI COVID-19 Regulatory package, and the uncertainty caused by COVID-19 pandemic with respect to the Company's estimates of impairment of loans to customers. Further, the extent to which the COVID-19 pandemic will impact the Company's operations and financial results is dependent on future developments, which are highly uncertain at this point of time.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, the Director's Report and the Corporate Governance Report, but does not include the Standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon. The above mentioned other information have not been made available to us as at the date of this auditor's report.

MUMBAI

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this standalone Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

MUMBAI
CHARTERED ACCOUNTANTS

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements of the current year and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements - Refer Note 35 on Contingent Liabilities to the Standalone Ind AS financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Snehal Shah
Partner
Membership Number: 048539
UDIN: 21048539AAAACH9188
Place: Mumbai
Date: June 10, 2021

HARIBHAKTI & CO. LLP
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ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Dhanvarsha Finvest Limited ("the Company") on the standalone Ind AS financial statements for the year ended March 31, 2021]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not hold any immovable property. Accordingly, clause 3 (i) (c) of the Order is not applicable to the Company.

(ii) The Company is a Non- Banking Finance Company, primarily engaged in the business of lending and does not hold any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

(a) The terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.

(b) The schedule of repayment of principal and payment of interest in respect of such loans has been stipulated and the repayments or receipts of principal amounts and interest are regular.

(c) In respect of the aforesaid loans, there is no overdue amount in respect of loans granted to companies, firms, Limited Liability Partnerships, or other parties listed in the register maintained under section 189 of the Act.

(iv) The Company has complied with the provisions of section 185 and 186 (1) of the Act in respect of grant of loans, making investments and providing guarantees and securities as applicable. Further, as the Company is a Non-Banking Finance Company engaged in the business of financing, the provision of section 186 [except for subsection (1)] are not applicable to the Company.

(v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.

(vii)

(a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, income tax, goods and services tax (GST), cess and any other material statutory dues applicable to it, expect that there have been slight delay in few cases. At present, the provisions of employees' state insurance and customs duty are not applicable to the Company.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues outstanding with respect to, income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Rs. in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	52.79*	AY 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	83.29	AY 2018-19	Assessing Officer

*Net of Rs.13.20 Lakhs paid under protest.

(viii) During the year, the Company has not defaulted in repayment of loans or borrowings to banks or financial institution or dues to debenture holders. The Company has not taken any loans or borrowings from government.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) of equity shares during the year. Further as represented by management and relied upon by us, the term loans were applied for the purposes for which the loans were obtained, though idle/surplus funds which were not required for immediate utilisation were either gainfully invested in liquid assets payable on demand or lying in the current account with Bank. We have not performed any other procedures in this regard.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) The Company has made preferential allotment or private placement of shares or fully or partly convertible debentures during the year and in our opinion, the requirement of section 42 of the Act have been complied with and the amount raised have been used for the purposes for which the funds were raised.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained by the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

Snehal Shah

Partner

Membership Number: 048539

UDIN: 21048539AAAACH9188

Place: Mumbai

Date: June 10, 2021

MUMBAI

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Chartered Accountants

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Dhanvarsha Finvest Limited on the standalone Ind AS financial statements for the year ended March 31, 2021]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Dhanvarsha Finvest Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Snehal Shah

Partner

Membership Number: 048539

UDIN: 21048539AAAACH9188

Place: Mumbai

Date: June 10, 2021

MUMBAI

Dhanvarsha Finvest Limited

Notes to Standalone Financial Statements for the year ended March 31, 2021

1. **Nature of operations**

Dhanvarsha Finvest Limited (the Company) is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged primarily in the business of providing Micro Enterprise Loans, SME Loans, Other Structured Business, Personal Loans, Gold Loans and and in providing ancillary services related to the said business activities. The Company is Non-Systematically Important Non-deposit taking Non-Banking Financial Company ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI") dated January 05, 2021 and its shares are listed on the BSE Limited.

2. **Basis of preparation**

A. Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the financial statement.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to NonBanking Financial Companies (NBFCs), as notified by the MCA.

These financial statements are approved for issue by the Board of Directors on June 10, 2021.

B. Functional and presentation currency

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All the amounts are rounded to the nearest lakhs with two decimals, except when otherwise indicated.

C. Basis of measurement

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the Act, except for:

- Financial Instruments – measured at fair value
- Employees Stock Option plan as per fair value of the option
- Employee's Defined Benefit Plan as per actuarial valuation.

D. Use of estimates and judgements

The preparation of financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgments, estimates and assumptions are recognised in particular for:

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DHANVARSHA FINVEST LIMITED MUMBAI

i. Business model assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii. Determination of estimated useful lives of property, plant, equipment:

Useful lives of property, plant and equipment are based on nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support.

iii. Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the basis of above valuation includes discount rate, trends in salary escalation, demographics and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Further details are disclosed in Note 42.

iv. Recognition of deferred tax assets:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

v. Recognition and measurement of provisions and contingencies

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

vi. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Refer Note 49 about determination of fair value. For recognition of impairment loss on other financial assets and risk exposures, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss.

vii. Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Company assesses whether the above financial assets are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Company follows 'general approach' for recognition of impairment loss allowance on loan and advances. Under this approach impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

viii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

E. Standards issued but not effective:

The amendments are proposed to be effective for reporting periods beginning on or after April 1, 2021:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

3. Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

A. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable cost of bringing the

MUMBAI

asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Company and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of property , plant and equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on plant, property and equipment

Depreciation on property, plant and equipment (except motor vehicles) is provided on straightline method at estimated useful life, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Particulars	Useful Life as per prescribed in Schedule II of the Act (year)
Computers	3
Networks and Servers	6
Furniture and fixtures	10
Office equipment	5

Motor vehicles are depreciated over a period of eight years on written down value method. Leasehold improvement is amortized over the period of the lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

B. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss.

Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Company's intangible assets is as below:

Particulars	Useful life (years)
Computer software	5

C. Impairment of property, plant and equipment and intangible assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of asset or recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at balance sheet date there is an indication that a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Recoverable amount is the higher of an asset's or cash generating unit's net selling price and value in use.

D. Revenue recognition

I. <u>Interest Income</u>

Interest income for all financial instruments except for those measured or designated as at Fair Value Through Profit and Loss account (FVTPL) are recognised in the profit or loss account using the effective interest method (EIR). Interest on financial instruments measured as at FVTPL is included within the fair value movement during the period.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)).

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate,

MUMBAI

the expected cash flows are estimated by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

ii. **Processing fee and application fee:**

Income from application and processing fees including recovery of documentation not forming part of effective rate calculation charges are recognised upfront.

iii. **Delayed payment charges, penal interest, other penal charges, foreclosure charges :**

Delayed Payment charges, Penal Interest, Other Penal Charges, Foreclosure Charges are recognised on receipt basis on account of uncertainty of the ultimate collection of the same.

iv. **Dividends:**

Dividend income is recognized when the Company's right to receive dividend is established on the reporting date.

v. **Fees and commission income:**

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

vi. **Net gain on Fair value changes**

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVOCI.

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E. Investments in subsidiaries, associates and joint ventures

The investments in subsidiaries, are carried in these financial statements at historical 'cost'. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of profit and loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

F. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

– Fixed payments, including in-substance fixed payments;

– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

– Amounts expected to be payable under a residual value guarantee; and

– The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

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When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property and hence disclosed in 'property, plant and equipment' and lease liabilities in 'Borrowings' in the statement of financial position.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of properties that are having non-cancellable lease term of less than 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a Lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

G. Financial Instruments

I. **Classification of financial instruments**

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial instruments to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the cashflows of the financial assets and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed

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- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

ii. Financial assets at amortised cost:

The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

iii. Financial assets at Fair value through Other Comprehensive Income (FVOCI):

The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

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iv. Financial instruments at fair value through profit and loss account (FVTPL)

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Company does not have any financial instruments designated as measured at fair value through profit or loss.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Company has not designated any financial instruments as measured at fair value through profit or loss.

v. Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

vi. Derecognition of financial assets and financial liabilities

<u>Recognition</u>

a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.

b) Investments are initially recognised on the settlement date.

c) Borrowings are initially recognised when funds reach the Company.

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d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification :

a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer only qualifies for derecognition if either:

i. The Company has transferred substantially all the risks and rewards of the asset, or

ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Company does not have any financial liabilities which have been derecognised.

vii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

viii. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognized at the amount of the proceeds received, net of direct issue costs.

IX. Compound Financial Instruments

Compulsorily convertible instruments with a fixed conversion ratio are separated into liability and equity components. On issuance of the said instruments, the liability component (being the present value of the future interest cash outflows discounted at a market rate for an equivalent non-convertible instrument) is reduced from the fair value of the instrument to arrive at the equity component. This Equity component is disclosed separately under Other Equity.

H. Impairment of financial assets:

The Company records allowance for expected credit losses (ECL) for all loans and debt investments, together with loan commitments to customers. The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case the allowance is based on the 12 months' expected credit loss. Both life time expected credit loss and 12 months' expected credit loss are calculated on individual loan / instrument basis.

At the end of each reporting period, the Company performs an assessment of whether the loan's / investment's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the asset.

The method and significant judgments used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in note 50 (Risk Management).

Simplified approach for trade/other receivables and contract assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade/other receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

MUMBAI

I. Determination of fair value

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: inputs for the current assets or liability that are not based on observable market data (unobservable inputs).

J. Retirement and other employee benefits

Defined Contribution schemes

The employees of the Company who have opted, are entitled to receive benefits under the Provident Fund Scheme and Employee Pension Scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

Defined benefit plans

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss. Net interest expense / (income) on the defined liability / (assets) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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DHANVARSHA FINVEST LIMITED MUMBAI

Other Long Term Employee Benefits

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

K. Share based payments

Employees stock options plans ("ESOPs") - Equity settled

The Company grants share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Company's operations. Employees (including directors) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity settled transactions").

The cost of equity-settled transactions with employees and directors for grants is measured by reference to the fair value at the date at which they are granted. The cost of equity-settled transactions is recognised in statement profit and loss, together with a corresponding increase in other equity, representing contribution received from the shareholders, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

L. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of temporary timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary timing differences. Deferred tax assets are recognized for deductible temporary timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MUMBAI

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Minimum alternate tax

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

M. Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- At the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

N. Foreign currency transactions and balances

i. **Initial recognition:**
Foreign currency transactions are recorded in the reporting currency (which is Indian Rupees), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. **Conversion:**
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. **Exchange differences:**
All exchange differences arising on settlement or translation of monetary items are recognized as income or as expenses in the period in which they arise.

O. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

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For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

P. Segmental reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

The Joint Managing Directors of the Company assesses the financial performance and position of the Company and make strategic decisions and hence has been identified as being chief operating decision maker.

Q. Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

R. Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements if the inflow of the economic benefit is probable than it is disclosed in the financial statements.

S. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

T. Good and service tax input credit

Goods and Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits. The Company has opted to claim 50% of eligible input tax credit on inputs, capital goods and input services and the balance 50% is charged to the statement of profit and loss as per applicable provisions.

MUMBAI

Dhanvarsha Finvest Limited
Standalone Balance sheet as at March 31, 2021

(Rs in Lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
Assets			
Financials Assets			
(a) Cash and cash equivalents	4	3,142.77	169.52
(b) Bank balances other than cash and cash equivalents	5	1,530.37	177.94
(c) Receivables	6		
(i) Trade receivables		210.28	117.84
(ii) Other receivables		46.98	-
(d) Loans	7	9,970.19	3,285.52
(e) Investments	8	1,818.67	133.41
(f) Other financials assets	9	97.56	339.69
Total Financials Assets		16,816.81	4,223.92
Non Financials Assets			
(a) Current tax assets (Net)	10	174.49	41.67
(b) Deferred tax assets (Net)	11	115.95	189.24
(c) Property,plant and equipment	12	353.99	113.10
(d) Right of use assets	12	518.82	-
(e) Capital work in progress		-	25.84
(f) Intangible assets under development		124.93	11.91
(g) Other Intangible assets	13	176.53	142.86
(h) Other non-financials assets	14	176.04	37.24
Total Non Financials Assets		1,640.75	625.90
Total Assets		18,457.56	4,849.82
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
(a) Payables			
I) Trade payables	15		
- Total outstanding dues of micro enterprises and small enterprises		14.78	5.12
- Total outstanding dues of creditors other than micro enterprises and small enterprises		147.90	26.65
II) Other payables			
- Total outstanding dues of micro enterprises and small enterprises		21.56	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		43.62	10.36
(b) Debt Securities	16	901.98	-
(c) Borrowings (Other than Debt Securities)	17	7,450.85	1,598.75
(d) Other financial liabilities	18	44.59	22.96
Total Financial Liabilities		8,325.38	1,631.78
Non-Financial Liabilities			
(a) Current tax liabilities(Net)	10	36.85	33.29
(b) Provisions	19	48.53	24.84
(c) Deferred tax liabilities (Net)	11	-	-
(d) Other non-financial liabilities	20	110.13	40.79
Total Non-Financial Liabilities		195.51	98.92
Total Liabilities		8,521.30	1,730.70
EQUITY			
(a) Equity share capital	21	1,529.24	1,350.78
(b) Other equity	22	8,407.01	1,768.34
Total Equity		9,936.25	3,119.12
Total Liabilities and Equity		18,457.56	4,849.82
Significant accounting policies and notes to the standalone financial statements	1 to 56		

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
Date : June 10, 2021

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

Sanjay Kumar
Chief Financial Officer
Date : June 10, 2021

Fredrick Pinto
Company Secretary
M. No. 22085
Date : June 10, 2021

HARIBHAKTI & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

Dhanvarsha Finvest Limited
Standalone Statement of profit and loss for the year ended March 31, 2021

(Rs in Lakhs)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I.	**Revenue from operations**			
(i)	Interest income	23	1,222.83	641.75
(ii)	Fees and commission income	24	1,163.86	1,260.10
(iii)	Net gain on fair value changes	25	8.43	8.16
	Total Revenue from operations		2,395.12	1,910.04
II.	Other income	26	46.86	19.48
III.	**Total Income(I+II)**		2,441.98	1,929.52
IV.	**Expenses**			
(i)	Finance costs	27	423.13	168.59
(ii)	Fees and commission expense	28	27.40	6.79
(iii)	Impairment on financial instruments	29	43.67	33.67
(iv)	Employee benefits expenses	30	987.48	701.84
(v)	Depreciation, amortization and impairment	31	119.84	46.65
(vi)	Others expenses	32	666.95	417.92
	Total Expenses(IV)		2,268.47	1,375.46
V.	**Profit before exceptional items and tax (III-IV)**		173.51	554.06
	Exceptional items			
VI.	**Profit before tax (III-IV)**		173.51	554.06
VII.	**Tax expense:**	33		
	Current tax		71.59	173.82
	Deferred tax		32.15	(17.03)
	Earlier years tax		1.32	(7.32)
	Total Tax Expense		105.06	149.47
VIII.	**Profit for the period (VI-VII)**		68.45	404.59
IX.	Other comprehensive income			
A.	**Items that will not be reclassified to profit or loss**			
i)	Remeasurement gain / (loss) on defined benefit plan	33	1.95	(1.66)
ii)	Income tax impact on above		(0.54)	0.46
	Total (A)		1.41	(1.20)
B.	**Items that will reclassified to profit or loss**			
	Other comprehensive income/(loss) (A+B)		-	-
X.	**Total comprehensive Income(VIII+IX)**		1.41	(1.20)
XI.	**Earnings per equity share**	34	69.86	403.39
	Basic (INR)		0.47	3.04
	Diluted (INR)		0.37	2.86
	Significant accounting policies and notes to the standalone financial statements	1 to 56		

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
Date : June 10, 2021

MUMBAI
HARIBHAKTI & CO. LLP
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

Sanjay Kumar
Chief Financial Officer

Fredrick Pinto
Company Secretary
M. No. 22085

Date : June 10, 2021

Date : June 10, 2021

Dhanvarsha Finvest Limited

Standalone Statement of cash flows for the year ended March 31, 2021

(Rs in Lakhs)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net profit before taxes	173.60	558.06
	Adjustment for:		
	Interest income from fixed deposits	(32.08)	(10.50)
	Profit on sale of property, plant and equipment	(1.12)	-
	Profit on sale of investment property	-	(4.67)
	Depreciation / Amortisation	119.84	48.65
	Impairment on financial instruments	45.67	33.67
	Realised gain on investments	(11.17)	(7.11)
	Unrealised gain on investments	2.74	(1.05)
	Fee income recognition per EIR	(61.20)	7.09
	Employee share based payment expenses	153.29	82.30
	Cash outflow towards finance cost	(690.92)	(0.04)
	Operating (loss)/ profit before working capital changes	(293.81)	706.39
	Movement in working capital		
	(Increase)/decrease in loans	(8,684.67)	1,190.20
	(Increase)/Decrease in other financial assets	198.55	(343.10)
	(Increase)/Decrease in other assets	(236.38)	-
	(Increase)/Decrease in trade receivable	(139.80)	(117.10)
	Increase/(Decrease) in other payables	179.79	11.46
	Increase/(Decrease) in other financial liabilities	21.75	(38.75)
	Increase/(Decrease) in Other liabilities	(749.89)	-
	Increase/(Decrease) in provisions	24.06	11.87
	Cash generated from operations	(7,588.83)	1,466.97
	Income taxes paid	(202.18)	(83.72)
	Net cash from/(utilised in) operating activities	(7,791.01)	1,317.25
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Property, plant and equipment and Intangible Assets	(937.71)	(160.17)
	Proceeds from sale of Property, plant and equipment and Intangible Assets	130.52	-
	Purchase of investment at fair value through profit and loss account	(5,074.81)	(1,865.01)
	Proceeds from sale of investment property	-	60.00
	Proceeds from sale of investment at fair value through profit and loss account	4,106.41	1,874.74
	Investment in equity shares of subsidiary	(695.00)	(5.00)
	Investment in Fixed Deposits	(2,882.50)	(140.39)
	Proceeds from sale of Fixed Deposits	1,550.00	-
	Interest Income from Fixed Deposits	32.06	10.50
	Net cash from/(utilised in) investing activities	(3,765.03)	(375.33)
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from issue of share capital and share warrants including share premium	2,174.92	2.34
	Debt securities issued	5,000.00	-
	Borrowings other than debt securities issued	8,925.00	-
	Proceeds from / (repayment of) borrowings	(1,537.71)	(1,090.60)
	Payment of Lease Liability	(14.60)	(2.43)
	Dividends paid including dividend distribution tax	(14.34)	(40.65)
	Net cash from financing activities	14,533.28	(1,134.44)
	NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	2,973.24	(182.52)
	Cash and cash equivalents at the beginning of the financial year	169.53	352.04
	Cash and cash equivalents at end of the year	3,142.77	169.52

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

(Rs in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balances with banks in Current accounts	3,066.14	168.16
Cash on hand (including foreign currencies)	76.64	1.36
Bank deposits with maturity of less than 3 months	-	-
Total	3,142.77	169.52

The above standalone statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 'Statement of Cash Flows'.

For disclosures relating to changes in liabilities arising from financing activities, refer note 46

Significant accounting policies and notes to the standalone financial statements 1 to 56

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
Date : June 10, 2021

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

Sanjay Kukreja
Chief Financial Officer

Fredrick Pinto
Company Secretary
M. No. 22085

Date : June 10, 2021

Date : June 10, 2021

Dhanvarsha Finvest Limited
Standalone Statement of changes in equity as at March 31, 2021

A. Equity share capital

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	1,350.78	1,350.00
Changes in equity share capital during the year	178.46	0.78
Balance at the end of the year	1,529.24	1,350.78

B. Other Equity

(Rs in Lakhs)

Particulars	Reserve and Surplus				Money received against share warrants	Share application money pending allotment	Equity component of compound financial instruments	Capital Contribution	Total
	Securities Premium	Employee stock option outstanding	Retained Earnings	Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934					
Balance at April 1, 2019	526.56	37.86	329.70	195.64	125.00	-	-	-	1,314.74
Profit for the year			409.89	-	-	-	-	-	-
Additions for the year	1.56	-			-	-	-	-	411.45
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(81.74)	81.74	-	-	-	-	-
Share based payment expense	-	84.03	-	-	-	-	-	-	84.03
Share Issue Expenses	1.73	(1.73)	-	-	-	-	-	-	-
Remeasurement of defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	(1.20)	-	-	-	-	-	(1.20)
Dividend distribution tax	-	-	(33.75)	-	-	-	-	-	(33.75)
	-	-	(6.94)	-	-	-	-	-	(6.94)
Changes during the the year	3.29	82.30	286.26	81.74	-	-	-	-	463.59
At March 31, 2020	829.85	120.16	615.96	277.38	125.00	-	-	-	1,768.33
Profit for the year			68.45						68.45
Additions for the year	1,397.47	-	-	-	875.00	2.92	4,376.42	281.90	6,933.91
Deletion for the year	-	-	-	-	(500.00)				(500.00)
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(13.69)	13.69	-	-	-	-	-
Options Exercised and lapsed	-	(0.19)	0.19	-	-	-	-	-	-
Share based payments to employees	-	153.29	-	-	-	-	-	-	153.29
Utilisation of securities premium	-	(19.47)	-	-	-	-	-	-	(19.47)
ESOP's granted to employees of Subsidiary Company	-	15.42	-	-	-	-	-	-	15.42
Remeasurement of defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	1.41	-	-	-	-	-	1.41
Dividend distribution tax	-	-	(14.34)	-	-	-	-	-	(14.34)
Changes during the the year	1,397.67	149.05	42.03	13.69	375.00	2.92	4,376.42	281.90	6,638.67
At March 31, 2021	2,027.52	269.21	657.98	291.07	500.00	2.92	4,376.42	281.90	8,407.01

Significant accounting policies and notes to the Financial Statements 1 to 56

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
Date : June 10, 2021

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

Sanjay Kumar
Chief Financial Officer

Date : June 10, 2021

Fredrick Pinto
Company Secretary
M. No. 22085
Date : June 10, 2021

4 Cash and cash equivalents

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	75.90	0.08
Foreign currency on hand	0.73	1.28
Balance with Bank (of the nature of cash and cash equivalents)	3,066.14	1.73
Cheques on hand *	-	196.38
Total	3,142.77	199.82
* These have been subsequently cleared		

5 Bank balances other than cash and cash equivalents

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unclaimed dividend accounts	18.95	18.55
Bank deposit with original maturity for more than three months	1,611.42	159.39
Total	1,630.37	177.94
Note: 1) Fixed deposit earns interest at a fixed interest rate.		
2) Bank deposits amounting to Rs.1,018.61 Lakhs (March 31, 2021 - Nil) pledged as lien against borrowings.		

6 Receivables

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Trade Receivable		
Considered good - secured	-	-
Considered good - unsecured	117.49	117.64
Trade receivables which have significant increase in credit risk	95.36	-
Trade receivables credit impaired	-	-
Gross	212.85	117.64
Less: Allowances for impairment loss on credit impaired trade receivables (Refer Note 46)	2.57	-
Total (Refer Note 46)	210.28	117.64
(ii) Other Receivables		
Considered good - secured	-	-
Considered good - unsecured	46.96	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit impaired	-	-
Total	46.96	-
Less: Allowances for impairment loss on credit impaired trade receivables (Refer Note 46)	-	-
Total	46.96	-

6.1 No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

6.2 No trade receivables are due from firms or private Companies respectively in which any director is a partner,a director or a member. However, Other receivables balance as at March 31, 2021 includes Rs. 46.96 Lakhs (March 31, 2020: Rs. 6.12 Lakhs) due from firms or private Companies respectively in which any director is a partner,a director or a member.

6.3 Trade receivables days past due

(Rs in Lakhs)

		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
March 31, 2021	Estimated total gross carrying amount at default	-	12.51	-	-	200.34	-	212.85
	ECL-simplified approach	-	-	-	-	2.57	-	2.57
	Net carrying amount	-	12.51	-	-	197.77	-	210.28
March 31, 2020	Estimated total gross carrying amount at default	-	117.64	-	-	-	-	117.64
	ECL-simplified approach	-	-	-	-	-	-	-
	Net carrying amount	-	117.64	-	-	-	-	117.64

Reconciliation of impairment loss allowance on trade receivables:

(Rs in Lakhs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per April 01, 2019	-
Add: Addition during the year	-
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2020	-
Add: Addition during the year	2.57
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2021	2.57

Other Receivables days past due

(Rs in Lakhs)

		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
March 31, 2021	Estimated total gross carrying amount at default	-	-	46.96	-	-	-	46.96
	ECL-simplified approach	-	-	-	-	-	-	-
	Net carrying amount	-	-	46.96	-	-	-	46.96
March 31, 2020	Estimated total gross carrying amount at default	-	-	-	-	-	-	-
	ECL-simplified approach	-	-	-	-	-	-	-
	Net carrying amount	-	-	-	-	-	-	-

The management expects no default in receipt of other receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on other receivables.

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED MUMBAI

Dhanvarsha Finvest Limited

Notes to Standalone Financial Statements for the year ended March 31, 2021

7 **Loans and Advances**

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Amortised Cost		
Term Loans	10,442.23	3,723.81
Total Gross (A) (Refer Note 7.1 and 46)	10,442.23	3,723.81
Less:Impairment loss allowance (Refer Note 7.2 and 46)	(472.04)	(438.29)
Total Net (A)	9,970.19	3,285.52
(i) Secured by tangible assets	6,172.75	2,889.59
(ii)Secured by intangible assets	-	-
(iii) Covered by Bank/Government Guarantees	-	-
(iv) Unsecured	4,269.48	834.22
Total Gross (B)	10,442.23	3,723.81
Less:Impairment loss allowance	(472.04)	(438.29)
Total Net (B)	9,970.19	3,285.52
Loans in India		
(i) Public Sector	-	-
(ii) Others	10,442.23	3,723.81
Loans outside India	-	-
Total Gross (C)	10,442.23	3,723.81
Less:Impairment loss allowance	(472.04)	(438.29)
Total Net (C)	9,970.19	3,285.52

7.1 The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due -

(Rs in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant increase in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	More than 90 DPD
March 31, 2021			
Secured Loan	4,843.51	976.40	352.84
Unsecured Loan	3,983.54	195.29	90.65
Total	8,827.05	1,171.69	443.49
March 31, 2020			
Secured Loan	2,222.04	465.04	201.88
Unsecured Loan	773.82	35.94	25.09
Total	2,995.86	500.98	226.97

7.2 The following table summarizes the changes in loss allowances measured using expected credit loss model -

(Rs in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant increase in credit risk	Credit Impaired
ECL Allowance -	0-30 DPD	30-90 DPD	More than 90 DPD
March 31, 2021			
Secured Loan	37.20	154.73	155.80
Unsecured Loan	56.06	19.86	48.38
Total	93.26	174.59	204.19
March 31, 2020			
Secured Loan	106.40	148.39	101.29
Unsecured Loan	59.89	2.97	19.44
Total	166.29	151.36	120.73

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED MUMBAI

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2021

8. Investments

(Rs in Lakhs)

Particulars	March 31, 2021						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	1,103.25	-	1,103.25	-	1,103.25
(ii) Equity Instruments Subsidiaries (Refer Note 8.1)	-	-	-	-	-	715.42	715.42
Total Gross (A)	-	-	1,103.25	-	1,103.25	715.42	1,818.67
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	1,103.25	-	1,103.25	715.42	1,818.67
Total (B)	-	-	1,103.25	-	1,103.25	715.42	1,818.67
Less: Impairment allowance (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	1,103.25	-	1,103.25	715.42	1,818.67

(Rs in Lakhs)

Particulars	March 31, 2020						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	128.41	-	128.41	-	128.41
(ii) Equity Instruments Subsidiaries (Refer Note 8.1)	-	-	-	-	-	5.00	5.00
Total Gross (A)	-	-	128.41	-	128.41	5.00	133.41
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	128.41	-	128.41	5.00	133.41
Total (B)	-	-	128.41	-	128.41	5.00	133.41
Less: Impairment allowance (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	128.41	-	128.41	5.00	133.41

The Company has Employee Stock Option Plans (ESOP) in force. Based on such ESOP schemes, the Company has granted options to acquire equity shares of the company to certain employees of subsidiary. It has been included in the above carrying value of investment in the subsidiary.

There are no investments measured at FVOCI or designated at FVTPL.

More information regarding the valuation methodologies can be found in Note 46

8.1 In compliance with Ind AS 27 " Separate Financial Statements" the required information is as under:

Name of entity	Principal place of business/ country of origin	Subsidiary/ Associate/ Joint Venture	Percentage of ownership interest as on	
			March 31, 2021	March 31, 2020
			%	%
DFL Technologies Private Limited	India	Subsidiary	100	100

MUMBAI

9 Other financials assets

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	23.26	5.68
Other advances*	20.14	334.21
Other Financial Assets	52.16	-
Total	87.56	339.89

* Includes Rs 4.38 lakhs recoverable from related party.

10 Current Tax assets/(Liabilities)

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Tax assets		
Advance income tax(Net of provisions of Rs. 382.71 lakhs (March 31, 2020 Rs. 223.49 lakhs)	174.49	41.67
Current Tax liabilities		
Provision for current tax(Net of advance tax of Rs. Nil lakhs (March 31, 2020 Rs. 87.22 lakhs)	(36.85)	(33.29)
Total	137.64	8.38

11 Deferred tax assets/(liabilities) (net)

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax asset on account of:		
Impairment loss allowance	128.20	116.02
Provision on Employee Stock Option	74.90	33.43
Expenses allowable for tax purposes when paid	12.66	6.91
EIR impact on loans measured at amortised cost	32.43	1.44
Other Temporary Differences	1.46	0.01
Deferred tax liability on account of:		
Property, plant and equipment and other intangible assets - carrying amount	(20.54)	(8.19)
EIR impact of DSA Commission	(28.59)	(1.22)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	(44.35)	-
Liability component of Compound Financial Instrument	(29.10)	-
Other Temporary Differences	(11.12)	0.25
MAT Entitlement Credit	-	39.59
Net deferred tax assets	115.95	188.24

11.1 Note (a): Summary of deferred tax assets/(liabilities)

(Rs in Lakhs)

Particulars	As at April 1, 2019	(Charged) / Credited to P & L	(Charged) / Credited to OCI	Utilised	As at March 31, 2020	(Charged) / Credited to P & L	(Charged) / Credited to OCI	Utilised	As at March 31, 2021
Impairment loss allowance	116.02	0.00	-	-	116.02	12.19	-	-	128.20
Provision on Employee Stock Option	10.53	22.90	-	-	33.43	41.47	-	-	74.90
Expenses allowable for tax purposes when paid	3.61	2.84	0.46	-	6.91	6.29	(0.54)	-	12.66
EIR impact on loans measured at amortised cost	2.87	(1.44)	-	-	1.44	30.99	-	-	32.43
Other Temporary Differences	-	0.01	-	-	0.01	1.45	-	-	1.46
Property, plant and equipment and other intangible assets - carrying amount	(0.63)	(7.57)	-	-	(8.19)	(12.35)	-	-	(20.54)
EIR impact of DSA Commission	-	(1.22)			(1.22)	(27.37)			(28.59)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	-	-	-	-	(44.35)			(44.35)
Liability component of Compound Financial Instrument	-	-	-	-	-	(29.10)			(29.10)
Other Temporary Differences	(1.25)	1.51	-	-	0.25	(11.38)	-	-	(11.12)
MAT Entitlement Credit	91.75	-	-	(52.15)	39.59	-	-	(39.59)	-
Net Net deferred tax assets/(liability)	222.90	17.03	0.46	(52.15)	188.24	(32.16)	(0.54)	(39.59)	115.95

12

(Rs in Lakhs)

Particulars	Property, plant and equipment						Right to Use	
	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Total	Right to Use	Total
For the year ended March 31, 2021								
Gross Carrying Amount								
Cost as at April 1, 2020	45.89	0.17	17.96	3.88	146.55	214.45	-	-
Additions	53.18	-	79.70	147.19	87.78	367.84	549.18	549.18
Adjustments	-	-	-	-	(115.53)	(115.53)	115.53	115.53
Disposals	(27.39)	-	(2.86)	-	(22.02)	(52.26)	(115.53)	(115.53)
Gross carrying value as of March 31, 2021	**71.68**	**0.17**	**94.80**	**151.07**	**96.78**	**414.50**	**549.18**	**549.18**
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2020	13.49	-	1.70	0.26	10.47	25.93	-	-
Depreciation charge during the year	18.72	-	7.97	1.65	8.68	37.01	30.36	30.36
Disposals					(2.43)	(2.43)	2.43	2.43
Impairment loss	-	-	-	-	-	-	(2.43)	(2.43)
	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2021	**32.21**	**-**	**9.67**	**1.91**	**16.72**	**60.51**	**30.36**	**30.36**
Net carrying value as of March 31, 2021	**39.47**	**0.17**	**85.13**	**149.16**	**80.06**	**353.99**	**518.82**	**518.82**
For the year ended March 31, 2020								
Gross Carrying Amount								
Cost as at April 1, 2019	29.37	0.17	3.97	1.08	7.62	42.21	-	-
Additions	16.52	-	13.99	2.80	138.93	172.25		-
Disposals	-	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2020	**45.89**	**0.17**	**17.96**	**3.88**	**146.55**	**214.46**	**-**	**-**
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2019	4.40	-	0.48	0.06	7.63	12.57	-	-
Depreciation charge during the year	9.09	-	1.22	0.20	2.84	13.36		-
Disposals	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2020	**13.49**	**-**	**1.70**	**0.26**	**10.47**	**25.93**	**-**	**-**
Net carrying value as of March 31, 2020	**32.40**	**0.17**	**16.26**	**3.62**	**136.08**	**188.53**	**-**	**-**

13 **Other intangible assets**

(Rs in Lakhs)

Particulars	Computer software	Total
For the year ended March 31, 2021		
Gross Carrying Amount		
Cost as at April 1, 2020	181.26	181.26
Additions	105.06	105.06
Disposals	(24.09)	(24.09)
Gross carrying value as of March 31, 2021	**262.23**	**262.23**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2020	38.39	38.39
Depreciation charge during the year	52.47	52.47
Disposals	(5.17)	(5.17)
Impairment loss	-	-
Accumulated depreciation as of March 31, 2021	**85.69**	**85.69**
Net carrying value as of March 31, 2021	**176.53**	**176.53**
For the year ended March 31, 2020		
Gross Carrying Amount		
Cost as at April 1, 2019	50.08	50.08
Additions	131.18	131.18
Disposals	-	-
Gross carrying value as of March 31, 2020	**181.26**	**181.26**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2019	3.11	3.11
Depreciation charge during the year	35.28	35.28
Disposals	-	-
Impairment loss	-	-
Accumulated depreciation as of March 31, 2020	**38.39**	**38.39**
Net carrying value as of March 31, 2020	**142.86**	**142.86**

MUMBAI

MUMBAI

14 Other non-financials assets

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expense	113.91	25.91
Advance to vendors	27.30	1.33
Advance to employees	10.09	-
Balances with statutory/government authorities	24.74	-
Total	176.04	27.24

15 Payables

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	14.78	8.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	147.90	26.66
Total	162.68	34.78
Other payables		
Total outstanding dues of micro enterprises and small enterprises	21.56	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	43.62	13.30
Total	65.18	13.30

Information required to be disclosed in accordance with Micro, Small and Medium Enterprises Development Act, 2006 has been determined based on the parties identified on the basis of information available with the Company. Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below.

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
The principal amount remaining unpaid to supplier as at the end of the year	36.34	8.12
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

16 Debt Securities

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
At Amortised Cost		
Unsecured		
Compulsorily Convertible Debentures *		
Secured	104.59	-
Non Convertible Debentures - Privately Placed		
Total	497.39	-
Deb Securities within India	601.98	-
Deb Securities outside India	601.98	
Total	-	
* Includes Rs. 104.59 issued to Related Parties	601.98	-

Debt Securities Disclosure

i) Privately placed redeemable non-convertible debenture of Rs. 10,00,000/- each

(Rs. In Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2021	As at March 31, 2020
24-36 Months			
12-24 Months	11.00%	375.00	-
Gross	11.00%	125.00	-
Less: Effective Interest Rate Adjustment		500.00	-
Net		(2.61)	
		497.39	-

Nature of Security

The facility is secured by exclusive hypothecation of standard loans & advances receivables to maintain a security cover of 1.20 times.

ii) Privately placed unsecured compulsorily convertible debenture of Rs. 111.30/- each

(Rs. In Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2021	As at March 31, 2020
Upto 18 Months			
Gross	2%	4,500.00	-
Less: Equity component of compound financial instrument		4,500.00	-
Less: Accrued Interest Adjustment		(4,376.42)	-
Net		(18.99)	-
		104.59	-

Terms of Redemption

The holder shall have the option to convert the CCDs, any time prior to the expiry of 18 (eighteen) months from the date of issuance of the CCDs, provided that all compulsorily convertible debentures issued shall mandatorily convert simultaneously. Each CCD shall convert into one Equity Share at a conversion price of Rs.111.30 per equity share.

17 Borrowings (other than debt securities)

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Secured		
Term Loan from Banks		
- from Banks		
- from Financial Institutions	5,900.03	390.79
Bank Over draft	1,194.79	-
Unsecured	287.30	-
Loans repayable on demand from other parties		
Lease Liability (Refer Note 49)	-	1,056.86
Total (A)	68.73	113.10
Borrowings India	7,450.85	1,560.75
Borrowings outside India	7,450.85	1,560.75
Total (B)	-	-
	7,450.85	1,560.75

The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

DHANVARSHA FINVEST LIMITED MUMBAI

Borrowings Disclosure

i) Term loans from Banks & Financial Institutions

(Rs. in Lakhs)

Tenure (from the date of the Balance Sheet)	Terms of Repayment	Rate of Interest	As at March 31, 2021	As at March 31, 2020
49-60 Months	Monthly Instalments	11.00%	464.28	-
49-60 Months	Monthly Instalments	11-13%	-	395.17
37-48 Months	Monthly Instalments	11-13%	3,269.82	-
37-48 Months	Quarterly Instalments	11-13%	2,031.25	-
25-36 Months	-	-	-	-
13-24 Months	Monthly Instalments	14.00%	1,257.72	-
13-24 Months	Two Instalments	7-9%	500.58	-
Upto 12 Months	-	-	-	-
Gross			7,523.65	395.17
Less: Effective Interest Rate Adjustment			(159.41)	(4.38)
Less: Capital Contribution by the Holding Company in the Form of Corporate Guarantee			(269.42)	
Net			7,094.82	390.79

Nature of Security

The facility is secured on a first and exclusive charge basis by way of hypothecation over the portfolio loans in such a way that the security cover of 1.10 to 1.33 times is met. Further, the Company has provided additional security by way of lien on Fixed Deposits and Corporate Guarantee in certain cases.

ii) Bank Overdraft

(Rs. in Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2021	As at March 31, 2020
Upto 12 Months	10.50%	287.30	-

Nature of Security

The facility is secured by pledge of gold ornaments.

18 Other financial liabilities

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unpaid dividends	18.95	18.55
Loan Pending Disbursal	10.29	-
Payable to employees	0.70	4.41
Other financial liabilities	14.75	-
Total	44.69	22.96

19 Provisions

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity (Refer Note 39)	10.86	7.25
Leave encashment (Refer Note 39)	34.64	17.59
PF and ESIC (Refer Note 39)	3.43	-
Total	48.93	24.84

20 Other non-financial liabilities

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Revenue received in advance	-	3.70
Advance from customers and others	74.35	0.07
Liability towards Statutory Dues	35.23	37.02
Unearned income	0.55	-
Total	110.13	40.79

MUMBAI

21 Equity share capital

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Authorised Share Capital		
5,00,00,000 (March 31, 2020: 5,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
Total	5,000.00	5,000.00
b. Issued, Subscribed and Paid-up:		
1,52,92,429 (March 31, 2020: 1,35,07,756) Equity Shares of Rs. 10 each	1,529.24	1,350.78
Total	1,529.24	1,350.78

c. Reconciliation of number of equity shares:

(Rs in Lakhs)

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	1,35,07,756	1,350.78	1,35,00,000	1,350.00
Issued during the year	17,84,673	178.46	7,756	0.78
Balance as at the end of the year	1,52,92,429	1,529.24	1,35,07,756	1,350.78

d. Details of shareholders holding more than 5% shares in the Company

(Rs in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% of holding	No. of Shares	% of holding
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	93,82,826	61.36%	76,82,200	56.87%
Siddhi Jaiswal	7,82,571	5.11%	-	0.00%
Total	1,01,65,397	66.47%	76,82,200	56.87%

e. Shares of the Company held by the Holding Company

Particulars	As at March 31, 2021	As at March 31, 2020
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	93,82,826	76,82,200
Total	93,82,826	76,82,200

f. Shares reseved for issues under options

(Rs in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Equity shares of Rs. 10 each reserved for issue under employee stock option scheme	17,04,714	170.47	18,38,562	183.86

g. Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be proportional to the number of equity shares held by the shareholders.

h. The Company has not alloted any bonus shares for the period of 5 years immediately preceding March 31, 2021.

i. Proposed dividends on equity shares

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Proposed dividend on equity shares for the year ended on March 31, 2021:Rs 0.05 per share (March 31, 2020: Rs. 0.10 per share)	7.65	14.34

i. Refer Note 41- Capital for the Company's objectives, policies and processes for managing capital

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED MUMBAI

Dhanvarsha Finvest Limited

Notes to Standalone Financial Statements for the year ended March 31, 2021

22 Other equity

(Rs in Lakhs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Securities Premium	(i)	2,027.52	629.85
Retained earnings	(ii)	657.98	615.96
Employee stock option outstanding reserve	(iii)	269.21	120.16
Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(iv)	291.07	277.38
Money received against share warrants	(v)	500.00	125.00
Share application money pending allotment	(vi)	2.82	-
Equity component of compound financial instruments	(vii)	4,376.42	-
Capital Contribution towards corporate gaurantee	(viii)	281.90	-
Total		8,407.01	1,768.34

(i) **Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act,2013.

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	629.85	626.56
Add: premium received on issue of shares	1,397.67	1.56
Add: Utilisation on account of exercise option	-	1.73
Balance at the end of the year	2,027.52	629.85

(ii) **Retained earnings**

Retained Earnings are the profits of the Company earned till date net of appropriations.

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	615.96	329.70
Profit for the year	68.45	409.89
Remeasurement of defined benefit plans (net of tax)	1.41	(1.20)
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(13.69)	(81.74)
Left Employee vested expenses reversed	0.19	-
Dividends	(14.34)	(33.75)
Dividend distribution tax	-	(6.94)
Balance at the end of the year	657.98	615.96

(iii) **Employee stock option outstanding reserves**

Employee stock option outstanding reserves is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the group

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	120.16	37.86
Add:Share based payment expense	153.29	84.03
Add:ESOP's granted to employees of Subsidiary Company	15.42	-
Less: Share based payment expense reversed for resigned employees	(0.19)	-
Less:Transfer to securities premium on account of exercise of Options	(19.47)	(1.73)
Balance at the end of the year	269.21	120.16

(iv) **Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934**

The Company maintains statutory reserve u/s 45-IC of Reserve Bank of India Act.1934 under which a specified amount is transferred from retained earnings.

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	277.38	195.64
Add: Profit transferred during the year	13.69	81.74
Balance at the end of the year	291.07	277.38

MUMBAI CHARTERED ACCOUNTANTS

MUMBAI

(v) **Money received against share warrants**

money received against share warrants is to be made since shares are yet to be allotted against the share warrants

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	125.00	125.00
Add: Warrants issued during the year	875.00	-
Less: Options exercised during the year	(500.00)	-
Balance at the end of the year	500.00	125.00

(vi) **Share application money pending allotment**

The amount received on the application on which allotment is not yet made

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	-	-
Add: Application money received during the year	2.92	-
Balance at the end of the year	2.92	-

(vii) **Equity component of compound financial instruments**

This represent the equity component of compound financial instruments

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	-	-
Add: Equity component of Corporate Guarantee	4,376.42	-
Balance at the end of the year	4,376.42	-

(viii) **Capital Contribution towards corporate gaurantee**

This represent the Capital Contribution towards corporate gaurantee

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	-	-
Add: Capital Contribution by the Holding Company in the Form of Corporate Guarantee	281.90	-
Balance at the end of the year	281.90	-

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2021

23 Interest Income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on loans (at amortised cost)	1,190.08	631.28
Interest on deposit with banks (at amortised cost)	32.06	10.50
Other interest Income	0.69	-
Total	1,222.83	641.78

24 Fees and commission income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income from loan services	25.67	31.40
Income from other services	1,138.19	1,228.70
Total	1,163.86	1,260.10

Revenue from contracts with customers

Below is the revenue from contracts with customers and reconciliation to statement of profit and loss

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Type of Services		
Fee and commission income	1,163.86	1,260.10
Total revenue from contract with customers	**1,163.86**	**1,260.10**
Geographical markets		
India	1,163.86	1,260.10
Outside India	-	-
Total revenue from contract with customers	**1,163.86**	**1,260.10**
Timing of revenue recognition		
Services transferred at a point in time	1,163.86	1,253.03
Services transferred over time	-	7.08
Total revenue from contracts with customers	**1,163.86**	**1,260.10**

Contract balance

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables	210.28	117.64
Contract Assets	-	-

The Company does not have any contract assets or liability, hence disclosures related to it has not been presented.

25 Net gain on fair value changes

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(A) Net gain on financial instruments at fair value through profit or		
(i) On Trading Portfolio		
Investment in mutual funds	8.43	8.16
(ii) Others	-	-
Total Net Gain on Fair Value Changes (B)	**8.43**	**8.16**
Fair value changes:		
Realised	11.17	7.11
Unrealised	(2.74)	1.05
Total Net Gain on Fair Value Changes (C)	**8.43**	**8.16**

* Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.

26 Other Income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent income	0.70	1.77
Net gain/(loss) on derecognition of property, plant and equipment and investment property	1.12	4.67
Gain on foreign currency transactions	-	0.04
Recovery from written off accounts	-	13.00
Miscellaneous income	45.04	-
Total	46.86	19.48

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

DHANVARSHA FINVEST LIMITED MUMBAI

27 Finance costs

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
On Financial liabilities measured at amortised cost		
Interest on borrowings (other than debt securities)	407.57	163.61
Interest on debt securities	12.58	-
Other interest expense		
Interest on lease liabilities	2.98	2.17
Interest on taxes	-	2.81
Total	423.13	168.59

28 Fees and commission expense

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Commission	27.40	0.79
Total	27.40	0.79

29 Impairment on financial instruments

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Loans	33.76	21.27
Receivable	2.57	-
Bad debts written off	7.34	12.40
Total	43.67	33.66

The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage:

Year ended March 31, 2021

(Rs in Lakhs)

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	(72.94)	23.25	83.46	-	33.76
Receivables	-	-	-	2.57	2.57
Total impairment loss	(72.94)	23.25	83.46	2.57	36.33

Year ended March 31, 2020

(Rs in Lakhs)

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	(79.82)	125.40	(24.31)	-	21.27
Total impairment loss	(79.82)	125.40	(24.31)	-	21.27

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED MUMBAI

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2021

30 Employee benefits expenses

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages	773.99	576.85
Gratuity Expenses (Refer Note 38)	10.57	5.60
Contribution to provident and other funds	38.94	25.59
Share Based Payments to employees	153.29	84.03
Staff welfare expenses	10.69	9.77
Total	**987.48**	**701.84**

31 Depreciation, amortization and impairment

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of property, plant and equipment (Refer Note 12)	67.38	13.37
Amortization of intangible assets (Refer Note 13)	52.47	35.28
Total	**119.84**	**48.65**

32 Others expenses

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent, Rates and taxes	71.40	68.54
Repairs and maintenance	2.39	4.36
Energy Costs	10.99	6.65
Communication costs	10.38	5.29
Advertisement and publicity	16.64	27.01
Director's fees, allowances, and expenses	62.97	40.05
Auditor fees and expenses (Refer Note 32.1)	32.10	10.60
Legal and professional charges	200.61	109.12
Insurance	11.99	13.29
Other expenditure:		
- Annual Maintenance Charges	17.08	15.26
- Brokerage	11.92	2.88
- Donation	5.15	-
- GST Input Tax Credit written off	73.40	32.10
- Office Expenses	29.69	16.50
- Processing fee on co-lending business	15.56	-
- Software Licences Expenses	14.34	6.90
- Travel & Conveyance	16.69	28.78
- Website & Server Maintenance Expenses	30.93	23.40
- Miscellaneous Expenditure	32.72	10.39
Total	**666.95**	**417.82**

32.1 Auditor fees and expenses

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As Auditor:		
- Statutory audit fees	12.00	5.50
- Limited review fees	6.00	3.50
- Tax audit fees	2.00	1.00
- Reimbursement of expenses	0.75	-
In other capacity:		
- Certification	11.35	0.60
Total	**32.10**	**10.60**

MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED MUMBAI

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2021

33 Income tax expense

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax		
Current tax on profits for the period	71.59	172.52
Adjustments for current tax of prior periods	1.32	(7.32)
Mat credit entitlement (Refer Note11)	-	-
Total Current Tax	**72.91**	**165.20**
Deferred tax expense (income)		
Decrease in deferred tax assets (Refer Note11)	32.15	(17.03)
Total deferred tax expense/(benefit)	32.15	(17.03)
Total tax expense	**105.06**	**148.17**

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate.

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2021 and year ended March 31, 2020 is, as follows:

33.1 Reconciliation of effective tax rate:

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before income tax expense	173.51	558.06
Enacted income tax rate in India applicable to the Company 27.82% (2019-2020 – 27.82%)	48.27	155.25
Tax effect of:		
Permanent Disallowances	7.78	-
Deferred tax assets not created on OCI	0.54	(0.46)
Long term capital gain on sale of property	-	(1.30)
Difference in tax rates for short term capital gains	(1.24)	(0.81)
Others	48.38	2.80
Tax in respect of earlier period	1.32	(7.32)
Total tax expense	105.06	148.17
Effective tax rate	60.55	26.55

33.2 Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity.

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DHANVARSHA FINVEST LIMITED MUMBAI

34 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit attributable to the equity holders of the Company (A)	68.45	409.89
Weighted Average number of equity shares for calculating Basic EPS (In lakhs) (B)	1,47,07,668	1,35,01,208
Adjustment for calculation of Diluted EPS on account of Diluted potential ordinary shares (C)	46,76,435	8,41,431
Weighted Average number of equity shares for calculating Diluted EPS (In lakhs) (D= B+C)	1,93,84,103	1,43,42,638
Basic earnings per equity shares in Rs.(face value of Rs. 10/- per share) (A) / (B)	0.47	3.04
Diluted earnings per equity shares in Rs.(face value of Rs. 10/- per share) (A) / (D)	0.37	2.86

During the current year, the Company has allotted 17,96,944 Warrants of face value of Rs.10/- each at a price of Rs.111.30 per Warrant (including Rs.101.30 towards share premium), to M/s. Wilson Holdings Private Limited, Mrs. Minaxi Mehta, Rohanjeet Singh Juneja, Karan Neale Desai and Elios Advisors LLP against receipt of 25% of the Warrant subscription amount. The remaining 75% of the Warrant subscription amount can be paid within a period of eighteen (18) months from the date of allotment of Warrants. These warrants are not counted in Weighted average number of Equity Shares used for calculation of diluted Earning per Share, as they are anti-dilutive.

35 Contingent liabilities & commitments

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Claims against the Company not aknowledged as debts		
Income tax matters under dispute	65.99	65.99
Commitments		
a) Capital commitments		
(Estimated amount of contracts remaining to be executed on capital account and not provided for)	-	18.97
b) Loan sanction but undrawn	361.01	46.25
Total Commitments	**361.01**	**18.97**

36 Derivatives

The Company has no transactions / exposure in derivatives in the current and previous year. The Company has no unhedged foreign currency exposure as on March 31, 2021: Nil (March 31, 2020: Nil).

37 Uncertainties relating to the Global Health Pandemic from COVID-19 ("Covid-19")

The Company had granted moratorium upto six months on the payment of installments falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers based on the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and May 23, 2020 relating to 'COVID-19 - Regulatory Package' and RBI guidelines on EMI moratorium dated April 17, 2020. Further, period for which moratorium was granted had not been considered for computing days past due (DPD) as on March 31, 2021. Extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory package of the RBI and DPD freeze for such period by itself is not considered to result in significant increase in credit risk as per Ind AS 109 for staging of accounts. The Company continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The COVID -19 pandemic has significantly affected various sectors of Indian economy. The prolonged lockdown imposed by the government due to Covid-19 pandemic has affected the Company's business operations. During the year, the Company has scaled up the growth in the low risky sector. Further, there has been good collection efficiencies post completion of the moratorium period and none of the customers approached for one time restructuring benefit allowed under the Resolution Framework by Reserve Bank of India dated August 6, 2020 for COVID related stress to the borrowers. Basis the abovementioned factors, the Company estimates that no additional Expected Credit Loss (ECL) provision on Loans is required on account of COVID – 19 during the quarter and year ended March 31, 2021. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

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DHANVARSHA FINVEST LIMITED MUMBAI

38 Employee benefits

(a) Compensated absences

The compensated absences charge for the year ended March 31, 2021 of Rs 25.61 lakhs (March 31, 2020 Rs 12.77 lakhs) has been charged in the Statement of Profit and Loss.

The liability for compensated absences based on actuarial valuation amounting as at the year ended March 31, 2021 is Rs. 34.64 lakhs (March 31, 2020 : Rs. 17.59 lakhs)

(b) Post employment obligations

I. Defined contribution plans

The Company has classified the various benefits provided to employees as under:

a. Provident Fund
b. Employees' Pension Scheme 1995
c. Employee State Insurance Scheme

The Company makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. The provident fund and the state defined contibution plan are operated by the Regional Provident Fund Commissioner . Under the schemes, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. These funds are recognized by the Income Tax authorities.

The expense recognised during the period towards defined contribution plan -

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Contribution to Provident Fund	25.73	18.85
Contribution to Employees' Pension Scheme 1995	12.10	6.75
Contribution to Employee State Insurance Scheme	1.05	-
Total	38.89	25.59

II. Defined benefit plans

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs 20 lakhs. The gratuity plan is a funded plan.

The Company has a defined benefit plan in India (Funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The Fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year , there are no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by Rule 103 of Income Tax Rules, 1962.

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(Rs in Lakhs)

Sr No	Defined benefit plans	For the year ended March 31, 2021	For the year ended March 31, 2020
		Gratuity (funded)	Gratuity (funded)
I	**Expenses recognised in statement of profit and loss during the year:**		
	Current service cost	10.15	5.20
	Past service cost	-	-

MUMBAI

	Expected return on plan assets	-	-
	Liability Transferred Out/ Divestments	-	-
	Net interest cost / (income) on the net defined benefit liability / (asset)	0.42	0.39
	Total expenses	**10.57**	**5.59**
II	**Expenses recognised in other comprehensive income**		
	Actuarial (gains) / losses due to demographic assumption changes	-	-
	Actuarial (gains) / losses due to financial assumption changes	-	1.09
	Actuarial (gains)/ losses due to experience on defined benefit obligations	(2.10)	0.64
	Return on plan assets excluding interest income	0.14	(0.08)
	Total expenses	**(1.96)**	**1.65**
III	**Net asset /(liability) recognised as at balance sheet date:**		
	Present value of defined benefit obligation at the end of the period	(16.72)	(12.92)
	Fair value of plan assets	5.86	5.67
	Net (Liability)/Asset Recognized in the Balance Sheet	**(10.86)**	**(7.25)**
IV	**Movements in present value of defined benefit obligation**		
	Present value of defined benefit obligation at the beginning of the year	12.92	5.60
	Current service cost	10.15	5.20
	Past service cost	-	-
	Liability Transferred Out/ Divestments	(5.01)	-
	Interest cost	0.76	0.39
	Actuarial (gains) / loss	(2.10)	1.73
	Benefits paid	-	-
	Present value of defined benefit obligation at the end of the year	**16.72**	**12.92**
V	**Movements in fair value of the plan assets**		
	Opening fair value of plan assets	5.67	-
	Interest Income	0.33	-
	Expected returns on plan assets	-	-
	Expected returns on plan assets excluding interest income	(0.14)	0.07
	Actuarial (gains) / loss on plan assets	-	-
	Contribution from employer	-	5.60
	Benefits paid	-	-
	Closing fair value of the plan asset	**5.86**	**5.67**
VI	**Maturity profile of defined benefit obligation**		
a	**Funding arrangements and funding policy**		
	The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company		
b	The average outstanding term of the obligations (years) as at valuation date is 4 years		
	Expected cash flows over the next (valued on undiscounted basis):		
	1st Following Year	0.03	0.03
	2nd Following Year	1.04	0.02
	3rd Following Year	1.61	0.89
	4th Following Year	1.88	1.89
	5th Following Year	2.38	1.98
	Sum of Years 6 To 10	8.79	7.32
	Sum of Years 11 and above	10.51	9.10

VII	**Quantitative sensitivity analysis for significant assumptions is as below:**		
1	Increase / (decrease) on present value of defined benefit obligation at the end of the year	16.72	12.92
	(i) +1% increase in discount rate	(1.11)	(0.92)
	(ii) -1% decrease in discount rate	1.25	1.04
	(iii) +1% increase in rate of salary increase	1.12	0.96

(iv) -1% decrease in rate of salary increase	(1.05)	(0.88)
(v) +1% increase in rate of Employee Turnover	(0.63)	(0.56)
(vi) -1% decrease in rate of Employee Turnover	0.67	0.60

2 **Sensitivity analysis method**

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

VIII **Risks associated with defined benefit plan**

Gratuity is a defined benefit plan and Company is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance Companies have to follow regulatory guidelines.

X **Composition of plan assets**

Qualifying policy with Tata AIA Life Insurance Company Limited	100%	100%

XI **Asset liability matching strategies**

The Company contributes to the insurance policy based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.

XII	Actuarial assumptions:	As at March 31, 2021	As at March 31, 2020
1	Expected Return on Plan Assets	5.58%	5.76%
2	Discount rate	5.58%	5.76%
3	Expected rate of salary increase	10.00%	10.00%
4	Rate of Employee Turnover	18.00%	18.00%
5	Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult

Notes:

a) The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The Company expects to make a contribution of Rs.21.30 lakhs to the defined benefit plans (gratuity - funded) during the next financial year.

e) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

39 **Segment Reporting**

The Company has primarily two reportable business segments namely Fund based Activities and Advisory services for the quarter and period ended March 31, 2021. In accordance with Ind AS 108 - Operating Segments, the Company has disclosed the segment information in the consolidated financial statements of the Company.

40 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

(Rs in Lakhs)

Assets	As at March 31, 2021			As at March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financials Assets						
Cash and cash equivalents	3,142.77	-	3,142.77	169.52	-	169.52
Bank balances other then cash and cash	935.73	594.64	1,530.37	177.94	-	177.94
Receivables						
(i)Trade Receivables	210.28	-	210.28	117.64	-	117.64
(ii)Other Receivables	46.96	-	46.96	-	-	-
Loans*	4,145.61	5,824.59	9,970.19	562.03	2,723.49	3,285.51
Investments	1,103.25	715.42	1,818.67	128.41	5.00	133.41
Other Financials Assets	97.58	-	97.58	334.52	5.37	339.88
Non Financials Assets						
Current Tax Assets (Net)	-	174.49	174.49	-	41.67	41.67
Deferred Tax Assets (Net)	-	115.95	115.95	-	188.24	188.24
Investment Property	-	-	-	-	-	-
Property,Plant and Equipment	-	353.99	353.99	-	188.53	188.53
Right of use assets	-	518.82	518.82	-	-	-
Capital work -in- progress	-	-	-	-	25.84	25.84
Intangible assets under development	-	124.93	124.93	-	11.51	11.51
Other Intangible assets	-	176.53	176.53	-	142.87	142.87
Other non-financials assets	176.04	-	176.04	24.55	2.69	27.24
Non-current assets and disposal group held for sale	-	-	-	-	-	-
Total Assets	9,858.19	8,599.36	18,457.56	1,514.63	3,335.19	4,849.82

(Rs in Lakhs)

Liabilities	As at March 31, 2021			As at March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Liabilities						
Payables						
i)Trade payables	162.68	-	162.68	34.77	-	34.77
ii)Other payables	65.18	-	65.18	-	-	-
Debt Securities	-	601.98	601.98	-	-	-
Borrowings (Other than Debt Securities)	315.10	7,135.75	7,450.86	1,126.20	434.55	1,560.74
Other financial liabilities	44.69	-	44.69	36.26	-	36.26
Non-Financial Liabilities						
Current tax liabilities(Net)	36.85	-	36.85	33.29	-	33.29
Provisions	23.37	25.57	48.94	11.74	13.10	24.84
Other non-financial liabilities	110.13	-	110.13	40.79	-	40.79
Total Liabilities	757.99	7,763.30	8,521.30	1,283.06	447.65	1,730.69
Net	9,100.19	836.07	9,936.26	231.58	2,887.54	3,119.12

41 Capital Management

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares capital securities. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2021, March 31.The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio is as follows.

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Debt	8,052.83	1,560.75
Less: cash and cash equivalents	(3,142.77)	(169.62)
Less: Bank balances other than cash and cash equivalents	(1,530.37)	(177.94)
Adjusted net debt	**3,379.68**	**1,213.29**
Total Equity	9,936.25	3,119.12
Adjusted net debt to adjusted equity ratio	0.34	0.39

42 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

43 Change in liabilities arising from financing activities

(Rs in Lakhs)

Particulars	April 1, 2020	Cash Flows	Changes in fair values	Exchange difference	Other**	As at March 31, 2021
Debt securities	-	5,000.00	-	-	(4,398.02)	601.98
Borrowings (other than debt securities)*	1,445.22	7,387.29	-	-	(1,450.40)	7,382.11
Lease Liabilities	115.53	(14.60)	-	-	(32.20)	68.73
Deposits	-	-	-	-	-	-
Total liabilities from financing activities	**1,560.75**	**12,372.69**	-	-	**(5,880.62)**	**8,052.82**

Particulars	April 1, 2019	Cash Flows	Changes in fair values	Exchange difference	Other**	As at March 31, 2020
Debt securities	-	-	-	-	-	-
Borrowings (other than debt securities)*	2,541.32	(1,096.10)	-	-	-	1,445.22
Lease Liabilities	-	-	-	-	115.53	115.53
Deposits	-	-	-	-	-	-
Total liabilities from financing activities	**2,541.32**	**(1,096.10)**	-	-	**115.53**	**1,560.75**

*Other than lease liabilities

**Other column includes creation of lease liabilities, Ind AS Adjustments & adjustments on account of Capital Contribution by the Holding Company in the Form of Corporate Guarantee.

44 Related party disclosures

A. Names of related parties and nature of relationship:

Description of relationship	Name of the related party
Parent Company	M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)
Subsidiary	M/s. DFL Technologies Private Limited (from October 07, 2019) (Wholly owned Subsidiary of Dhanvarsha Finvest Limited)
Fellow Subsidiary:	Wilson Financial Services Private Limited (Wholly owned Subsidiary of Wilson Holdings Private Limited)
Key Management Personnel (KMP)	Mr. Karan Neale Desai, Joint Managing Director
	Mr. Ashish Sharad Dalal, Non-Executive Director (Upto November 10, 2020)
	Mr. Nirmal Vinod Momaya, Independent Director
	Mr. K. P. Raghuvanshi, Independent Director
	Mrs. Manjari Kacker, Independent Director
	Mr. Dharmil Shah, Independent Director (upto August 24, 2018)
	Mrs. Arunaben Girishkumar Shah, Independent Director (upto August 24, 2018)
	Mr. Rakesh Sethi, Chairman and Independent Director (w.e.f. October 15, 2019)
	Mr. Rajiv Kapoor, Independent Director
	Mr. Surender K Behera, Independent Director (upto December 17, 2019)
	Mr. Rohanjeet Singh Juneja, Joint Managing Director
	Mr. Narendra Kumar Tater, Chief Financial Officer (Upto July 31, 2020)
	Mr. M Vijay Mohan Reddy, Company Secretary (Upto July 31, 2020)
	Mr. Sanjay Kukreja, Chief Financial Officer (w.e.f. August 1, 2020)
	Mr. Fredrick Pinto, Company Secretary (w.e.f. August 1, 2020)
	Mr. Nimir Kishore Mehta, Non-Executive Chairman (upto December 15, 2019)
Other Related Parties	Mrs. Minaxi Mehta (Promoter of Wilson Holdings Private Limited)
	Mr. Nimir Kishore Mehta (Relative of Promoter of Wilson Holdings Private Limited)
	Prolific Ventures Pvt Ltd (Promoter of Parent Company Having Significant Influence)
	Exotti Wellness Private Limited (Director Having Significant Influence)

B. Details of related party transactions:

(Rs in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2021	For the year ended March 31, 2020
Parent Company			
M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private	Interest expense	93.95	156.80
	Reimbursement of expenses	28.13	-
	Loans Taken	875.00	-
	Loans repaid	1,905.00	1,400.00
	Interest Income	4.21	-
	Loans Given	305.00	-
	Loans repayment received	305.00	-
	Issue of share warrants	125.00	125.00
	Conversion of share warrants into Equity	500.00	-
	Issue of Equity	1,030.00	-
	Issue of LCCD	4,500.00	-
	Capital Contribution towards corporate gaurantee	281.92	-
Subsidairy			
M/s. DFL Technologies Private Limited	Rent income	0.70	0.57
	Investments (including ESOP issued to subsidiary's employees)	710.42	5.00
	Sale of Fixed assets	31.39	-
	Sale of Leasehold improvements	22.00	-
	Sale of intangible assets	55.72	-
	Sale of intangible assets under developments	58.24	-
	Interest income	0.83	-
	Loans Taken	45.00	-
	Loans repayment received	45.00	-
	DSA Commission income	9.04	-
	Rent paid	0.75	-
	Office Expenses	4.33	-
	Reimbursement of expenses	102.07	-
Fellow Subsidiary			
Wilson Financial Services Private Limited (from July 31, 2018) (Wholly owned Subsidiary of	Rent income	-	1.20
	Fees Paid	15.00	-
Key Management Personnel (KMP)			
Mr. Karan Neale Desai	Remuneration and Short-termemployee benefits*	53.20	67.27
	Reimbursement of expenses	7.19	8.18
	Issue of share warrants	100.00	-
	share based payment	10.90	-
Mr. Narendra Kumar Tater	Remuneration and Short-termemployee benefits*	22.59	36.49
	Reimbursement of expenses	1.07	4.76
Mr. Vijay Mohan Reddy	Remuneration and Short-termemployee benefits*	14.59	24.28
	Reimbursement of expenses	0.13	5.93
Mr. Rohanjeet Singh Juneja	Remuneration and Short-termemployee benefits*	52.59	17.89
	Reimbursement of expenses	7.66	1.55
	Issue of share warrants	100.00	-
Mr. Sanjay Kukreja	Remuneration and Short-termemployee benefits*	31.45	17.89
	Reimbursement of expenses	1.50	1.55
Mr. Fredrick Pinto	Remuneration and Short-termemployee benefits*	14.15	17.89
	Reimbursement of expenses	2.95	1.55
Mr. Ashish Sharad Dalal	Sitting fees and commission	6.66	7.00
Mr. Nirmal Vinod Momaya	Sitting fees and commission	10.91	7.00
Mr. K. P. Raghuvanshi	Sitting fees and commission	11.41	8.25
Mrs. Manjari Kacker	Sitting fees and commission	12.66	8.25

Mr. Dharmil Shah	Sitting fees and commission	-	(1.35)
Ms. Arunaben Girishkumar Shah	Sitting fees and commission	-	(1.35)
Mr. Surender K Behera	Sitting fees and commission	-	5.00
Mr. Rakesh Sethi	Sitting fees and commission	10.10	4.25
Mr. Rajiv Kapoor	Sitting fees and commission	11.16	1.00
Mr. Nimir Kishore Mehta	Sitting fees and commission	-	1.00
Other Related Parties			
Mrs. Minaxi Mehta	Issue of share warrants	125.00	-
Mr. Nimir Kishore Mehta	Rent paid	22.58	60.00
	Reimbursement of expenses	0.57	0.72
Prolific Ventures Pvt Ltd	Profession fees paid	0.00	-
	Rent paid	25.58	4.50
	Reimbursement of expenses	0.52	0.03
	Security deposit	-	6.90
	ROU Asset	464.83	-
Exotic Wellness Private Limited	Staff Welfare expenses	0.20	-

C. **Details of balances outstanding for related party transactions:**

(Rs in Lakhs)

Name of the related party	Nature of Transaction	As at March 31, 2021	As at March 31, 2020
Parent Company			
M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private	Short Term borrowing taken	0.12	1,030.00
	Equity Share Capital	938.28	769.22
	Share Warrants	125.00	125.00
	UCCD	4,500.00	-
	Capital Contribution towards corporate gaurantee	201.92	-
Subsidiary			
M/s. DFL Technologies Private Limited	Rent income	-	0.12
	Other Receivable	46.96	-
	Reimbursement of expenses	4.36	-
	Trade Payables	11.19	-
	Investments (including ESOP issued to subsidiary's employees)	715.42	5.00
Key Management Personnel (KMP)			
Mr. Ashish Sharad Dalal	Sitting fees and commission	0.58	-
Mr. Nirmal Vinod Momaya	Sitting fees and commission	0.58	-
Mr. K. P. Raghuvanshi	Sitting fees and commission	0.58	-
Mrs. Manjari Kacker	Sitting fees and commission	0.58	-
Mr. Rakesh Sethi	Sitting fees and commission	0.61	-
Mr. Rajiv Kapoor	Sitting fees and commission	0.61	-
Mr. Karan Neale Desai	Reimbursement of expenses	-	1.12
	Equity Share Capital	3.60	-
	Share Warrants	100.00	-
Mr. Rohanjeet Singh Juneja	Reimbursement of expenses	-	0.40
	Share Warrants	100.00	-
Mr. Nimir Kishore Mehta	Reimbursement of expenses	0.82	-
Mr. Sanjay Kukreja	Reimbursement of expenses	0.24	-
Other Related Parties			
Mrs. Minaxi Mehta	Share Warrants	125.00	-
Prolific Ventures Pvt Ltd	Rent paid	3.25	-
	Security deposit	6.90	6.90

*As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

D The options granted and outstanding for the key managerial personnel as of March 31, 2021 and March 31, 2020 is as provided below

Name of the KMP	Grant Date	Expiry date	Shares outstanding	
			Mar-21	Mar-20
Mr. Karan Neale Desai	05-11-2018	04-11-2025	3,27,140	3,63,469
Mr. Narendra Kumar Tater	05-11-2018	04-11-2025	-	1,93,881
Mr. Vijay Mohan Reddy	05-11-2018	04-11-2025	-	59,799
Mr. Karan Neale Desai	17-12-2019	16-12-2026	2,36,511	2,36,511
Mr. Rohanjeet Singh Juneja	17-12-2019	16-12-2026	6,00,000	6,00,000
Mr. Karan Neale Desai	31-07-2020	01-08-2028	75,000	-
Mr. Rohanjeet Singh Juneja	31-07-2020	01-08-2028	75,000	-
Total			13,13,651	14,53,660

E The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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Dharmaraja Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2021

45 Fair Value Measurement

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs in Lakhs)

Financial Assets and Liabilities as at March 31, 2021	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	3,142.77	3,142.77	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	1,630.37	1,630.37	-	-	-	-
Receivables								
Trade receivables	-	-	210.28	210.28	-	-	-	-
Other receivables	-	-	46.96	46.96	-	-	-	-
Loans	-	-	9,970.19	9,970.19	-	-	-	-
Investments	1,103.25	-	715.42	1,818.67	1,103.25	-	-	1,103.25
Other financials assets	-	-	97.56	97.56	-	-	-	-
	1,103.25	-	16,713.88	15,816.80	1,103.25	-	-	1,103.25
Financial Liabilities								
Payables								
Trade payables	-	-	162.68	162.68	-	-	-	-
Other payables	-	-	65.18	65.18	-	-	-	-
Debt Securities	-	-	601.98	601.98	-	-	-	-
Borrowings (Other than debt securities)	-	-	7,450.85	7,450.85	-	-	-	-
Other financial liabilities	-	-	44.69	44.69	-	-	-	-
	-	-	8,325.37	8,325.37	-	-	-	-

(Rs in Lakhs)

Financial Assets and Liabilities as at March 31, 2020	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	169.52	169.52	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	177.94	177.94	-	-	-	-
Receivables				-	-	-	-	-
Trade receivables	-	-	117.64	117.64	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Loans	-	-	3,285.52	3,285.52	-	-	-	-
Investments	123.41	-	5.00	128.41	128.41	-	-	128.41
Other financials assets	-	-	339.89	339.89	-	-	-	-
	123.41	-	4,096.51	4,218.92	128.41	-	-	128.41
Financial Liabilities								
Payables								
Trade payables	-	-	34.77	34.77	-	-	-	-
Other payables	-	-	13.30	13.30	-	-	-	-
Borrowings (Other than debt securities)	-	-	1,560.75	1,560.75	-	-	-	-
Other financial liabilities	-	-	22.96	22.96	-	-	-	-
	-	-	1,631.78	1,631.78	-	-	-	-

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a. The carrying amounts of trade receivables, trade payables, other receivables, cash and cash equivalent including other bank balances , other financials assets and other financial liabilities , etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b. Financial instruments with fixed interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances if required, are taken to account for expected losses of these instruments. Thus, Amortised cost shown in A. above, is after adjusting ECL amount.

c. **Fair Value Hierarchy**

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Company-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

C. Valuation techniques used to determine fair value

Investments in Mutual Funds

The fair values of investments in mutual funds is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

D.Transfers between Level 1 and Level 2 and between Level 1 and Level 3

There were no transfers between level 1 and 2 and between Level 1 and Level 3 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

46 Financial Risk Management

The Company has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Company. Together they help in achieving the business goals and objectives consistent with the Company's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Company's financial risk management is an integral part of how to plan and execute its business strategies.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

(A) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of busines.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(Rs. in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding for a period not exceeding six months	117.49	117.64
Outstanding for a period exceeding six months	95.36	-
Gross Trade Receivables	212.85	117.64
Less: Impairment Loss	2.57	-
Net Trade Receivables	210.28	117.64

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and the Company's historical experience for customers. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

ii) Loans and financial assets measured at amortized cost

The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due -

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
0-30 Days Past Due		
Secured	4,843.51	2,222.04
Unsecured	3,983.54	773.82
30-90 Days Past due		
Secured	976.40	465.04
Unsecured	195.29	35.94
More than 90 Days Past Due		
Secured	352.84	201.88
Unsecured	90.65	25.09
Total	10,442.23	3,723.81

The Company reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the Company is into small ticket loan business, there is no significant credit risk of any individual customer that may impact Company adversely, and hence the Company has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three

(i) Definition of default

The Company considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

(ii) Exposure at default

"Exposure at Default" (EAD) represents the gross carrying amount of the assets subject to impairment calculation.

(iii) Estimations and assumptions considered in the ECL model

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Measurement of Expected Credit Losses

The Company has applied a three-stage approach to measure expected credit losses (ECL) on debt instruments accounted for at amortised cost. Assets migrate through following three stages based on the changes in credit quality since initial recognition:

(a) Stage 1: 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.

(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

At each reporting date, the Company assesses whether there has been a significant increase in credit risk of its financial assets since initial recognition by comparing the risk of default occurring over the expected life of the asset. In determining whether credit risk has increased significantly since initial recognition, the Company uses information that is relevant and available without undue cost or effort. This includes the Company's internal credit rating grading system, external risk ratings and forward-looking information to assess deterioration in credit quality of a financial asset.

The Company assesses whether the credit risk on a financial asset has increased significantly on an individual and collective basis. For the purpose of collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account accounting instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower, collateral type, and other relevant factors. For the purpose of individual evaluation of impairment factors such as internally collected data on customer payment record, utilization of granted credit limits and information obtained during the periodic review of customer records such as audited financial statements, budgets and projections are considered.

In determining whether the credit risk on a financial asset has increased significantly, the Company considers the change in the risk of a default occurring since initial recognition. The default definition used for such assessment is consistent with that used for internal credit risk management purposes.

The Company considers defaulted assets as those which are contractually past due 90 days, other than those assets where there is empirical evidence to the contrary. Financial assets which are contractually past due 30 days are classified under Stage 2 - life time ECL, not credit impaired, barring those where there is empirical evidence to the contrary. The Company considers financial instruments (typically the retail loans) to have low credit risk if they are rated internally or externally within the investment grade. An asset migrates down the ECL stage based on the change in the risk of a default occurring since initial recognition. If in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loan loss provision stage reverses to 12-months ECL from lifetime ECL.

The Company measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Company considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the Company's internally developed statistical models and other historical data.

Macroeconomic Scenarios

In addition, the Company uses reasonable and supportable information on future economic conditions including macroeconomic factors such as CPI and repo rate. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly.

(iv) Policy for write off of Loan assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets under "Other Income" in Statement of profit and loss.

An analysis of changes in the gross carrying amount and the corresponding ECLs as follows :

Gross exposure reconciliation

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1, 2019	**4,561.96**	**77.32**	**294.22**	**4,933.49**
New loans originated during the year	574.33	-	-	574.33
Transfers to Stage 1	40.11	(40.11)	-	-
Transfers to Stage 2	(451.92)	506.08	(54.16)	-
Transfers to Stage 3	(86.77)	(34.24)	121.01	-
Write-offs	(2.81)	-	(9.58)	(12.40)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(1,935.04)	(8.09)	(124.50)	(2,071.63)
Gross carrying amount balance as at March 31, 2020	**2,998.86**	**580.98**	**226.97**	**3,723.81**
New loans originated during the year	6,988.84	273.20	0.24	7,262.28
Transfers to Stage 1	0.79	(0.17)	(0.62)	-
Transfers to Stage 2	(553.94)	553.94	-	-
Transfers to Stage 3	(35.35)	(174.35)	209.70	-
Write offs	(0.56)	-	(6.79)	(7.35)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(568.59)	18.09	13.99	(536.51)
Gross carrying amount balance as at March 31, 2021	**8,827.06**	**1,171.69**	**443.49**	**10,442.23**

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Reconciliation of ECL balance

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL Allowance- Opening Balance as at April 1, 2019	246.02	25.98	145.04	417.02
New loans originated during the year	60.28	-	-	60.28
Transfers to Stage 1	14.02	(14.02)	-	-
Transfers to Stage 2	(22.74)	45.82	(27.08)	-
Transfers to Stage 3	(1.86)	(11.95)	16.82	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(126.53)	101.86	(14.04)	(38.81)
ECL Allowance- Closing Balances as on March 31, 2020	159.28	101.38	120.73	638.29
New loans originated during the year	59.29	23.84	0.16	60.33
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(61.60)	61.60	-	-
Transfers to Stage 3	(18.57)	(75.60)	94.17	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(31.05)	(6.60)	(7.50)	(45.13)
Amounts Written off	(0.01)	-	(3.40)	(3.41)
ECL Allowance- Closing Balances as on March 31, 2021	83.35	174.49	204.19	472.84

iii. Cash and bank balances

The Company held cash and cash equivalent and other bank balance of Rs. 4673.16 lakhs at March 31, 2021 (March 31, 2020: Rs. 347.46 lakhs). The same are held with bank and financial institution counterparties with good credit rating. Also, Company invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the Company to credit risk.

iv. Others

Apart from trade receivables, loans, cash and bank balances and investment measured at amortised cost , the Company has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

i) Maturities of financial assets and liabilities

The table below analyses the company's financial liabilities and financial assets into relevant maturity groupings based on the remaining period as at the reporting date to contractual maturity date. The amount disclosed in the below table are the contractual un-discounted cash flows and exclude the impact of future interest payments.

(Rs. in lakhs)

Contractual maturities of financial assets March 31, 2021	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	3,142.77	-	-	3,142.77
Bank balances other than cash and cash equivalents	930.65	62.50	498.00	1,501.45
Receivables				
Trade receivables				
Other receivables	212.85	-	-	212.85
Loans	40.98	-	-	40.98
Investments	5,145.61	2,179.00	3,117.61	10,442.02
Other Financial Assets	1,101.25	-	715.42	1,816.67
	97.50	-	-	97.50
Total	9,677.98	2,261.50	4,331.03	17,262.45
Contractual maturities of financial liabilities March 31, 2021	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	162.88	-	-	162.88
Other payables	147.89	-	-	147.89
Debt Securities	-	505.00	-	505.00
Borrowings (other than debt securities)	1,150.42	4,709.16	1,950.12	7,809.68
Other financial liabilities	44.69	-	-	44.69
Total	1,511.88	5,284.16	1,960.12	8,726.56

(Rs. in lakhs)

Contractual maturities of financial assets March 31, 2020	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	169.52	-	-	169.52
Bank balances other than cash and cash equivalents	168.55	-	-	168.55
Receivables				
Trade receivables				
Other receivables	117.64	-	-	117.64
Loans	-	-	-	-
Investments	616.31	901.86	2,210.17	3,728.34
Other financial assets	128.41	-	5.00	133.41
	334.82	8.45	0.19	343.46
Total	1,536.85	910.32	2,215.36	4,661.24
Contractual maturities of financial liabilities March 31, 2020	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	34.77	-	-	34.77
Other payables	-	-	-	-
Borrowings (Other than Debt Securities)	1,092.46	140.00	192.71	1,425.16
Other financial liabilities	36.26	-	-	36.26
Total	1,163.49	140.00	192.71	1,496.19

(Rs. in lakhs)

Contractual maturities of financial assets April 1, 2019	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	362.04	-	-	362.04
Bank balances other than cash and cash equivalents	17.55	-	-	17.55
Receivables				
Trade receivables				
Other receivables	0.65	-	-	0.65
Loans	-	-	-	-
Investments	1,091.10	1,420.52	2,431.48	4,944.13
Other financial assets	-	-	-	-
	0.01	1.50	0.03	1.54
Total	1,471.40	1,430.82	2,434.48	5,325.91
Contractual maturities of financial liabilities April 1, 2019	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	33.37	-	-	33.37
Other payables	-	-	-	-
Borrowings (Other than Debt Securities)	2,541.32	-	-	2,541.32
Other financial liabilities	45.19	-	-	45.19
Total	2,612.89	-	-	2,612.89

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DHANVARSHA FINVEST LIMITED MUMBAI

(C) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.The Company's exposure to, and management of, these risks is explained below.

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company caters mainly to the Indian Market . Most of the transactions are denominated in the Company's functional currency i.e. Rupees. Hence the Company is not materially exposed to Foreign Currency Risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at floating interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting year are as follows:

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed rate borrowings	7,696.79	1,169.97
Floating rate borrowings	287.30	390.79

Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

The interest rate profile of the Company's interest bearing financial instruments is as follows:

Particulars	For the year ended March 31, 2021	
	100bps Increase	100bps decrease
Financial Liability		
Variable rate instrument		
Floating Rate Borrowings	2.87	(2.87)

(iii) Price Risk

The Company's exposure to mutual fund is exposed to price risk and classified in the balance sheet at fair value through profit or loss. 100 bps increase in Net Assets Value (NAV) would increase profit before tax by approximately Rs. 11.09 lakhs (March 31, 2020: Rs. 1.28 lakhs). A similar percentage decrease would have resulted equivalent opposite impact.

Dhanvarsha Finvest Limited

Notes To financial statements for the year ended March 31, 2021

47 Disclosure in notes to Financial statements as required under paragraph 2 (a) of RBI Notification No RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

For the year ended March 31, 2021

(Rs in Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind As 109	Net Carrying Amount	Provisions required as per IRACP norms *	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	8,827.05	93.26	8,733.79	22.37	70.89
	Stage 2	1,171.69	174.59	997.10	2.77	171.82
	Stage 3	133.25	47.36	85.89	0.30	47.06
Subtotal		**10,131.99**	**315.21**	**9,816.78**	**25.44**	**289.77**
Non-Performing Assets (NPA)						
Substandard	Stage 3	224.75	111.66	113.09	21.77	89.89
Doubtful -upto 1 year	Stage 3	85.49	45.17	40.32	18.07	27.10
Subtotal for NPA		**310.24**	**156.83**	**153.41**	**39.84**	**116.99**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind as 109 but not covered under current income recognition, asset classification and provisioning (IRACP) norms	Stage 1	-	-	-	-	-
Subtotal						
Total	**Stage 1**	8,827.05	93.26	8,733.79	22.37	70.89
	Stage 2	1,171.69	174.59	997.10	2.77	171.82
	Stage 3	443.49	204.19	239.30	40.14	164.04
	Total	**10,442.23**	**472.04**	**9,970.19**	**65.28**	**406.76**

For the year ended March 31, 2020

(Rs in Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind As 109	Net Carrying Amount	Provisions required as per IRACP norms *	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	2,995.86	162.74	2,833.12	22.61	140.13
	Stage 2	476.63	143.78	332.85	1.81	141.97
	Stage 3	62.47	35.82	26.65	0.28	35.54
Subtotal		**3,534.95**	**342.34**	**3,192.61**	**24.70**	**317.64**
Non-Performing Assets						
Substandard	Stage 2	24.35	7.58	16.77	2.32	5.26
	Stage 3	164.50	84.91	79.61	16.02	68.89
Subtotal		**188.86**	**92.48**	**96.37**	**18.34**	**74.14**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind as 109 but not covered under current income recognition, asset classification and provisioning (IRACP) norms	Stage 1	48.25	3.46	44.79	-	3.46
Subtotal						
Total	**Stage 1**	3,044.11	166.20	2,877.91	22.61	143.59
	Stage 2	500.98	151.36	349.62	4.13	147.23
	Stage 3	226.97	120.73	106.26	16.30	104.43
	Total	**3,772.06**	**438.29**	**3,333.79**	**43.05**	**395.25**

48 **Asset Classification and Provisioning Disclosure**

Disclosure as per the circular no DOR.NO.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 issued by Reserve Bank of India on "COVID -19 regulatory package - Asset Classification and provisioning" For the year ended March 31, 2021

1) Amounts in SMA/overdue categories where moratorium/deferment was extended in terms of paragraph 2 and 3 of the above circular

(Rs in Lakhs)

Particulars	As of March 31, 2021
i. Amounts in SMA/overdue categories where moratorium/deferment was extended *	934.39
ii. Respective amount where asset classification benefit is extended	Nil**
iii. Provisions made during quarter in terms of paragraph 5 of the above circular ***	Nil
iv. Provisions adjusted against the respective accounting periods for slippages and residual provisions in terms of paragraph 6 of the above circular	Not applicable

* Outstanding as on March 31, 2021 on account of SMA categories cases where moratorium benefit is extended by the Company up to August 31, 2020.

** There are nil accounts as on March 31, 2021 where the asset classification benefit is extended for cases which were entitled to a moratorium until August 31, 2020, as the asset classification is based on the actual performance of the account post moratorium period is over.

*** The Company had made adequate provision for impairment loss under ECL model for the year ended March 31, 2021. Further, the Company has considered the additional provisions for the purpose of RBI circular mentioned in this note for provision computation under IRAC Norms as required under RBI Circular dated March 13, 2020.

2) Respective amount where asset classification benefit is extended : Rs. Nil

49 Disclosure related to leases

(A) Additions to right to use

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Lease hold Property	549.18	115.53

(B) Carrying value of right of use assets at the end of the reporting year

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	113.10	-
Additions	549.18	115.53
Deletion	113.10	
Depreciation charge for the year	30.36	2.43
Balance at the end of the year	**518.82**	113.10

(C) Maturity analysis of lease liabilities

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	41.34	20.70
One to five years	35.58	110.40
More than five years	-	23.00
Total undiscounted lease liabilities at reporting period	**76.92**	154.10
Lease liabilities included in the statement of financial position at the year ended	**68.73**	113.10

(D) Amounts recognised in statement of profit or loss

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Interest on lease liabilities	2.98	2.17
Expenses relating to short-term leases	48.62	65.29
Total	51.60	67.46

(E) Amounts recognised in the statement of cash flows

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Operating Activity	48.62	65.29
Financial Activity	14.60	2.43
Total Cash outflow for leases	**63.22**	67.72

Sub Lease

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the rightof- use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

The Company has sub-leased the office premises under operating lease for which lease income is recognized in the Statement of Profit and Loss for the year amounting to Rs. 0.70 Lakhs (March 31, 2020 Rs. 1.77 Lakhs). There is no lock-in period for such sub-lease and agreement can be cancelled by both the parties.

50 Employee Stock Options Scheme (ESOP)

The Company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2018 (ESOP 2018) to employees of the Company. These options are vested during 4 years from the grant date and exercisable with in 4 years from vesting date.In the case of resignation of the employee, the grants lapse (if not exercised) after the date of resignation from service.Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The employee compensation expense for the year has been determined on fair value basis as on March 31, 2021. The said ESOPs will start its vesting period from November 5, 2019. The details of which are as follows.

ESOP Scheme	Particulars	Date of Grant	Date of Board Approval	Total options granted
ESOP Scheme 2018	Grant 1	05-Nov-18	05-Nov-18	11,17,710
ESOP Scheme 2018	Grant 2	22-May-19	22-May-19	1,13,742
ESOP Scheme 2018	Grant 3	17-Dec-19	17-Dec-19	8,36,511
ESOP Scheme 2018	Grant 4	31-Jul-20	31-Jul-20	1,50,000
ESOP Scheme 2018	Grant 5	31-Jul-20	31-Jul-20	1,35,000

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Series Reference	2019-2023		2020-2024		2020-2024		2020-2024		2020-2024	
	T-1		T-2		T-3		T-4		T-5	
Fair value of the option range	23.39 - 23.98		31.44 - 34.87		41.36 - 44.82		51.81 - 65.38		51.81 - 65.38	
Exercise price	30		50		50		50		70	
Vesting period (see table below)	12 to 48 months		12 to 48 months		12 to 48 months		12 to 48 months		12 to 48 months	
Method of settlement	Equity		Equity		Equity		Equity		Equity	
Options outstanding as at beginning of reporting period	9,12,503	11,17,710	89,548	-	8,36,511					
Options granted during the year		-				-	-	-	-	-
Options lapse during the year	29,272	1,97,451	-	1,13,742	-	8,36,511	1,50,000	-	1,35,000	-
Options Forfeited during the year	3,34,801		-	24,194	-	-	-	-	-	
Options exercised during the year	47,547	7,758	7,228.00	-	-	-	-	-	-	
Options outstanding as at end of reporting period	5,06,883	9,12,503	82,320	89,548	8,36,511	8,36,511	1,50,000	-	1,35,000	-

Manner of vesting: In a graded manner over a 4 year period with 10%, 20%, 30% and 40% of the grants vesting in each year commencing from the start date of the first tranche.

In respect of stock options granted pursuant to the Company's stock option scheme, the fair value of the options is treated as discount and accounted as "Expenses on Employee Stock Option Plan" over the vesting period.

Expenses on Employee Stock Option Plan debited to Statement of Profit and Loss during the year 2020-21 is Rs. 153.29 lakhs (2019-20 Rs. 84.03 lakhs)

50.1 Fair valuation :

The fair value of options have been calculated on the date of the grant, using Black-Scholes model by an external firm of valuer.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of the grant are:

Grant Date	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of Underlying share at the time of option grant
05-Nov-18	7.35% - 7.46%	4.5 to 6 years	46.1%-47.9%	0.0229	43.8
22-May-19	6.86% - 7.41%	4.5 to 6 years	0.461	0.0073	61.5
17-Dec-19	6.80% - 7.41%	4.5 to 6 years	0.465	0.0073	79.9
31-Jul-20	5.13% - 6.44%	4.5 to 6 years	0.45	0.0052	98.5
31-Jul-20	5.13% - 5.64%	4.5 to 6 years	0.45	0.0052	98.5

50.2 Total carrying amount at the end of the year in Employee Stock Options under other equity

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total carrying amount	269.21	120.16

During the year ended March 31, 2021, Rs. 1,60,354 options are granted and outstanding for the employees of the subsidiary company and accordingly the Company has recognised the Deemed Investment of Rs. 15.42 lakhs as on March 31, 2021 (March 31, 2020: Nil).

51 Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated September 3, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. However, such accounts had been classified as stage 3 in accordance with Note No.9 and provision had been made accordingly.

The interim order stood vacated on March 23, 2021 vide the judgement of the Hon'ble Supreme Court in the matter of Small Scale Industrial manufacturers Association vs UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17 DOR. STR. REC. 4/ 21.04.048/ 2021-22, dated April 07, 2021 issued in this connection. Since, the Company was already classifying the NPA accounts as Stage 3 and provision was made accordingly, without considering the above mentioned asset classification benefit for accounting purpose, there is no change in asset classification on account of the interim order dated March 23, 2021.

52 In accordance with the instructions in aforementioned RBI circular dated April 7, 2021, and the Indian Banks Association (IBA) advisory letter dated April 19, 2021, the Company has put in place the Board approved policy to refund / adjust the interest on interest charged during the moratorium period of March 01, 2020 to August 31, 2020 to eligible borrowers under the abovementioned circular and advisory. The Company has no borrowers who are eligible for benefit as per the abovementioned RBI circular and IBA advisory.

53 During the year ended March 31, 2021, the Company has not invoked resolution plans to relieve COVID-19 pandemic related stress to any of its borrowers. Therefore, disclosure as per the format prescribed as per the notification no. RBI/2020-21/16 DOR.NO.BP.BC/3.21.04.048/2020-21 dated August 6, 2020 for the year ended March 31, 2021 is not applicable to the Company.

54 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

55 **Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company (as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as at March 31, 2021.**

(Rs in Lakhs)

55.1 **Liabilities Side**	As at March 31, 2021		As at March 31, 2020	
	Outstanding Amount	Amount Overdue	Outstanding Amount	Amount Overdue
Loans and advances availed by the non banking financial Company inclusive of interest accrued thereon but not paid:				
a) Debentures:				
Secured	497.39	-	-	-
Unsecured	104.59	-	-	-
(other than falling within the meaning of public deposits*)				
b) Deferred Credits				
c) Term Loans	-	-	-	-
d) Inter-corporate loans and borrowings	7,094.82	-	390.79	-
e) Commercial Paper	-	-	1,055.86	-
f) Public Deposits	-	-	-	-
g) Other Loans - Bank Overdraft	287.30	-	-	-
g) Other Loans - Lease Liability	68.73	-	113.10	-
Total	8,052.83	-	1,559.75	-

(Rs in Lakhs)

55.2 **Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**	As at March 31, 2021	As at March 31, 2020
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-

(Rs in Lakhs)

55.3 **Assets Side**	As at March 31, 2021	As at March 31, 2020
Breakup of Loans and Advances including bills receivables (other than those included in (4) below) :		
a) Secured*	6,172.75	2,889.50
b) Unsecured *	4,269.48	834.21

* Represents gross value

(Rs in Lakhs)

55.4 **Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities**	As at March 31, 2021	As at March 31, 2020
i) Lease assets including lease rentals under sundry debtors:		
a) Financial Lease	-	-
b) Operating Lease	-	-
ii) Stock on hire including hire charges under sundry debtors:		
a) Assets on hire	-	-
b) Repossed Assets	-	-
iii) Other loans counting towards AFC activities		
a) Loans where assets have been repossessed	-	-
b) Loans other than (a) above -	-	-

DHANVARSHA FINVEST LIMITED MUMBAI

MUMBAI CHARTERED ACCOUNTANTS

(Rs in Lakhs)

55.5 Breakup of Investments:	As at March 31, 2021	As at March 31, 2020
Current Investments:		
1. Quoted:		
i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	1,103.25	128.41
iv) Government Securities	-	-
v) Others	-	-
	-	-
2. Unquoted:		
i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	-	-
iv) Government Securities	-	-
v) Others	-	-
Long Term Investments:		
1. Quoted:		
i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	-	-
iv) Government Securities	-	-
v) Others	-	-
	-	-
2. Unquoted:		
i) Shares:		
(a) Equity	700.00	5.00
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	-	-
iv) Government Securities	-	-
v) Others*	15.42	-

*Others represents the ESOPs granted by the Company to certain employees of the subsidiary.

55.6 **Borrower groupwise classification of assets financed as in (3) and (4) above:**

(Rs in Lakhs)

Category	As at March 31, 2021			As at March 31, 2020		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties*	6,172.75	4,269.48	10,442.23	2,889.60	834.21	3,723.81

Represents gross value

55.7 **Investor groupwise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) $:**

(Rs in Lakhs)

Category	As at March 31, 2021		As at March 31, 2020	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
a) Subsidiaries *	-	715.42	5.00	5.00
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2. Other than related parties	1,103.25	1,103.25	128.41	127.87

*The Company has Employee Stock Option Plans (ESOP) in force. Based on such ESOP schemes, the Company has granted options to acquire equity shares of the company to certain employees of subsidiary. It has been included in the above carrying value of investment in the subsidiary.

$ The Company has not disclosed the breakup of investment into Long term investment and current investment as the classification is not required under Indian Accounting Standards issued by MCA.

55.8 Other information

(Rs in Lakhs)

	As at March 31, 2021	As at March 31, 2020
i) Gross Non Performing Assets ##		
a) Related Parties	-	-
b) Other than related parties	443.40	226.97
ii) Net Non Performing Assets##		
a) Related Parties	-	-
b) Other than related parties	239.30	106.26
iii) Assets acquired in satisfaction of debt		

NPA accounts refer to Stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind-AS. 90 days Past due is considered as default for classifying a financial instrument as credit impaired.

Note :

Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.

All Indian Accounting Standards issued by MCA are applicable including valuation of investments and other assets.

56 Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
Date : June 10, 2021

HARIBHAKTI & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

Sanjay Kukreja
Chief Financial Officer

Fredrick Pinto
Company Secretary
M. No. 22085
Date : June 10, 2021

Date : June 10, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Dhanvarsha Finvest Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **Dhanvarsha Finvest Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the consolidated state of affairs of the Group as at March 31, 2021, their consolidated profit (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 37 to the consolidated Ind AS financial statements, which describes the staging of accounts to whom moratorium benefit was extended in accordance with the Reserve Bank of India COVID-19 Regulatory package, and the uncertainty caused by COVID-19 pandemic with respect to the Holding Company's estimates of impairment of loans to customers. Further, the extent to which the COVID-19 pandemic will impact the Group's operations and financial results is dependent on future developments, which are highly uncertain at this point of time.

MUMBAI CHARTERED ACCOUNTANTS

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment of loans and advances (*as described in Note 7 and 37 of the consolidated Ind AS financial statements*)	
Ind AS 109 requires the Holding Company to provide for impairment of its loan receivables (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss ("ECL") approach. ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Holding Company's loans and advances. In the process, a significant degree of judgment has been applied by the Management for: • Staging of loans [i.e. classification in 'significant increase in credit risk' ('SICR') and 'default' categories]; • Grouping of borrowers based on homogeneity by using appropriate statistical techniques; • Estimation of behavioural life; • Determining macro-economic factors impacting credit quality of receivables; • Estimation of losses for loan products with no/ minimal historical defaults. **Additional considerations on account of COVID-19**	We have started our audit procedures with understanding of the internal control environment related to impairment of loans and advances ("Impairment loss allowance"). Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Holding Company. For loans and advances which are assessed for impairment on a portfolio basis we performed particularly the following procedures: • We tested the reliability of key data inputs and related management controls; • We checked the stage classification as at the balance sheet date as per the definition of Default of the Holding Company; • We recalculated the ECL provision for selected samples; • We have reviewed the process of the Holding Company to grant moratorium to the borrowers as per the Regulatory Package announced by the Reserve Bank of India (RBI). Further, we have relied on the assumption of the management that there will be no significant increase in the credit risk in the cases where moratorium is given and that the staging based on the days past due (DPD) will be considered as per the RBI COVID-19 Regulatory Package. We have tested on samples basis the DPD freeze for cases where moratorium is provided and not provided in

MUMBAI
CHARTERED ACCOUNTANTS

Pursuant to the Reserve Bank of India circulars dated 27 March 2020, 17 April 2020 and 23 May 2020 ('RBI circulars') allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between 1 March 2020 and 31 August 2020, the Holding Company has extended moratorium to its borrowers in accordance with its approved Board policy. In Management's view and considering the guidance provided by the Institute of Chartered Accountants of India, providing moratorium to borrowers at a mass scale, based on RBI directives, by itself is not considered to result in a SICR for such borrowers. During the year, the Holding Company has scaled up the growth in the low risky sector. Further, there has been good collection efficiencies post completion of the moratorium period and none of the customers approached for one-time restructuring benefit allowed under the Resolution Framework by Reserve Bank of India dated August 6, 2020 for COVID related stress to the borrowers. Basis the abovementioned factors, the Holding Company estimates that no additional ECL provision on Loans is required on account of COVID - 19 during the year ended March 31, 2021. The impact of COVID-19 is dynamic, evolving, uncertain and based on the current situation. In view of the high degree of management's judgment involved in estimation of ECL, accentuated by the COVID-19 pandemic, impairment of loans and advances has been identified as a key audit matter.	accordance with RBI COVID-19 Regulatory Package; • We have checked the provision on Loan Assets as per IRACP norms as required under RBI circular dated March 13, 2020. We have checked the DPD and provision in accordance with the RBI regulations in that regard further considering the COVID related Regulatory Packages issued by RBI; and • With respect to impact assessment on provision for ECL on account of the impact of COVID-19 pandemic, we broadly reviewed the underlying assumptions and estimates used by the management for the same but as the extent of impact is dependent on future developments which are highly uncertain, we have primarily relied on those assumptions and estimates. These assumptions and estimates are a subject matter of periodic review by the Holding Company.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Management Discussion and Analysis, Director's Report and Corporate Governance Report, but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon. The above mentioned other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

HARIBHAKTI & CO. MUMBAI CHARTERED ACCOUNTANTS

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements. As part of an

MUMBAI
CHARTERED ACCOUNTANTS

audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary company, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated Ind AS financial statements regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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MUMBAI
CHARTERED ACCOUNTANTS

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors of the Holding Company and its subsidiary company, incorporated in India, as on March 31, 2021 and taken on record by the Board of Directors of the Holding Company and its subsidiary company, incorporated in India, none of the directors of the Group companies, is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure";

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid to its directors during the year by the Holding Company is in accordance with the provisions of section 197 of the Act. The subsidiary company has not

HARIBHAKTI & CO. MUMBAI CHARTERED ACCOUNTANTS

paid/provided any remuneration to its director during the year hence provisions of section 197 of the Act related to the managerial remuneration are not applicable;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 35 to the consolidated Ind AS financial statements;

(ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Snehal Shah
Partner
Membership Number: 048539
UDIN: 21048539AAAACI7256
Place: Mumbai
Date: June 10, 2021

HARIBHAKTI & CO. MUMBAI CHARTERED ACCOUNTANTS

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of **Dhanvarsha Finvest Limited** on the consolidated Ind AS financial statements for the year ended March 31, 2021]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of Dhanvarsha Finvest Limited ("Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company, which is a company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which is a company incorporated in India, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Snehal Shah

Partner

Membership Number: 048539

UDIN: 21048539AAAACI7256

Place: Mumbai

Date: June 10, 2021

MUMBAI

Dhanvarsha Finvest Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2021

1. **Basis of preparation**

A. Statement of compliance

The Consolidated financial statements relates to M/s. Dhanvarsha Finvest Limited (the " Holding Company") and its subsidiary (together constitute as the "Group'). The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the financial statement.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to Non Banking Financial Companies (NBFCs), as notified by the MCA.

These financial statements are approved for issue by the Board of Directors on 10 June, 2021.

B. Basis of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of following subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Name of the subsidiary	Name of the parent entity	Ownership in % either directly or through subsidiaries	Country of incorporation
DFL Technologies Private Limited	Dhanvarsha Finvest Limited	100%	India

The Group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses.

Intra-group balance and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

C. Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. All the amounts are rounded to the nearest lakhs with two decimals, except when otherwise indicated.

D. Basis of Measurement

The consolidated financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the Act, except for:

- Financial instruments – measured at fair value
- Employees Stock Option plan as per fair value of the option
- Employee's Defined Benefit Plan as per actuarial valuation.

E. Use of Estimates and Judgements

The preparation of consolidated financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgments, estimates and assumptions are recognised in particular for:

i. Business model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the business model test. The Group determines the business model at a level that reflects how Group's of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii. Determination of estimated useful lives of property, plant, equipment:

Useful lives of property, plant and equipment are based on nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support.

iii. Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the basis of above valuation includes discount rate, trends in salary escalation, demographics and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Further details are disclosed in Note 38

iv. Recognition of deferred tax assets:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

MUMBAI CHARTERED ACCOUNTANTS

DHANVARSHA FINVEST LIMITED MUMBAI

v. **Recognition and measurement of provisions and contingencies**

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

vi. **Fair value of financial instruments**

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Refer Note 45 about determination of fair value. For recognition of impairment loss on other financial assets and risk exposures, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss.

vii. **Impairment of financial assets**

The Group recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Group assesses whether the above financial assets are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Group follows 'general approach' for recognition of impairment loss allowance on loan and advances. Under this approach impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

viii. **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

MUMBAI

MUMBAI

F. Standards issued but not effective:

The amendments are proposed to be effective for reporting periods beginning on or after April 1, 2020:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

2. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

A. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Group and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of property , plant and equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on plant, property and equipment

Depreciation on property, plant and equipment (except motor vehicles) is provided on straightline method at estimated useful life, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Particulars	Useful Life as per prescribed in Schedule II of the Act (year)
Computers	3
Networks and Servers	6
Furniture and fixtures	10
Office equipment	5

MUMBAI

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Motor vehicles are depreciated over a period of eight years on written down value method. Leasehold improvement is amortized over the period of the lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits.

B. Capital Work in Progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses to acquire the property, plant and equipment. Assets which are not ready for intended use are also shown under capital work-in-progress

C. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss.

Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Group's intangible assets is as below:

Particulars	Useful life (years)
Computer software	5

D. Intangible Assets Under Development

It includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses.

MUMBAI

MUMBAI

E. Impairment of property, plant and equipment and intangible assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired, if any such indication exists, the Group estimates the recoverable amount of the assets.
If such recoverable amount of asset or recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at balance sheet date there is an indication that a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Recoverable amount is the higher of an asset's or cash generating unit's net selling price and value in use.

F. Revenue recognition

i. Interest income

Interest income for all financial instruments except for those measured or designated as at Fair Value Through Profit and Loss account (FVTPL) are recognised in the profit or loss account using the effective interest method (EIR). Interest on financial instruments measured as at FVTPL is included within the fair value movement during the period.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)).

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the expected cash flows are estimated by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

ii. Processing fee and application fee:

Income from application and processing fees including recovery of documentation not forming part of effective rate calculation charges are recognised upfront.

iii. Delayed payment charges, penal Interest, other penal charges, foreclosure charges :

Delayed Payment charges, Penal Interest, Other Penal Charges, Foreclosure Charges are recognised on receipt basis on account of uncertainty of the ultimate collection of the same.

iv. Dividends:

Dividend income is recognized when the Company's right to receive dividend is established on the reporting date.

MUMBAI

v. Fees & commission income:

Fees and commissions are recognised when the Group satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

vi. Other Income and Expenses

Other income and expenses are recognised in the period they occur

vii. Net gain on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVOCI.

G. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

MUMBAI

DHANVARSHA FINVEST LIMITED MUMBAI

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

– Fixed payments, including in-substance fixed payments;

– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

– Amounts expected to be payable under a residual value guarantee; and

– The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property and hence disclosed in 'property, plant and equipment' and lease liabilities in 'Borrowings' in the statement of financial position.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of properties that are having non-cancellable lease term of less than 12 months and low value assets . The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

MUMBAI

When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

H. Financial Instruments

i. Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial instruments to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the cashflows of the financial assets and the Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages Group's of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The solely payments of principal and interest (SPPI) test

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

MUMBAI

The Group classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

ii. **Financial assets at amortised cost**:

The Group classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

iii. **Financial assets at fair value through other comprehensive income (FVOCI)**:

The Group classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Group's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

iv. **Financial instruments at fair value through profit and loss account (FVTPL)**

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Group does not have any financial instruments designated as measured at fair value through profit or loss.

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A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Group has not designated any financial instruments as measured at fair value through profit or loss.

v. Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

vi. Derecognition of financial assets and financial liabilities

Recognition

a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.

b) Investments are initially recognised on the settlement date.

c) Borrowings are initially recognised when funds reach the Group.

d) Other financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification :

a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer only qualifies for derecognition if either:

i. The Group has transferred substantially all the risks and rewards of the asset, or

ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Group does not have any financial liabilities which have been derecognised.

vii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

viii. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognized at the amount of the proceeds received, net of direct issue costs.

ix. Compound Financial Instruments

Compulsorily convertible instruments with a fixed conversion ratio are separated into liability and equity components. On issuance of the said instruments, the liability component (being the present value of the future interest cash outflows discounted at a market rate for an equivalent non-convertible instrument) is reduced from the fair value of the instrument to arrive at the equity component. This Equity component is disclosed separately under Other Equity.

I. Impairment of financial assets:

The Holding Company records allowance for expected credit losses (ECL) for all loans and debt investments, together with loan commitments to customers. The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case the allowance is based on the 12 months' expected credit loss. Both life time expected credit loss and 12 months' expected credit loss are calculated on individual loan / instrument basis.

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At the end of each reporting period, the Holding Company performs an assessment of whether the loan's / investment's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the asset.

The method and significant judgments used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in note 46 (Risk Management).

Simplified approach for trade/other receivables and contract assets

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade/other receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

Write-offs

The Holding Company reduces the gross carrying amount of a financial asset when the Holding Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Holding Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

J. Determination of fair value

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: inputs for the current assets or liability that are not based on observable market data (unobservable inputs).

K. Retirement and other employee benefits

Defined contribution schemes

The employees of the Holding Company who have opted, are entitled to receive benefits under the Provident Fund Scheme and Employee Pension Scheme, defined contribution plans in which both the employee and the Holding Company contribute monthly at a stipulated rate. The Holding Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the

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scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

Defined benefit plans

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Holding Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss. Net interest expense / (income) on the defined liability / (assets) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Holding Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long term employee benefits

The Holding Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

L. Share based payments

Employees stock options plans ("ESOPs") - equity settled

The Holding Company grants share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Holding Company's operations. Employees (including directors) of the Holding Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity settled transactions").

The cost of equity-settled transactions with employees and directors for grants is measured by reference to the fair value at the date at which they are granted. The cost of equity-settled transactions is recognised in statement profit and loss, together with a corresponding increase in other equity, representing contribution received from the shareholders, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

M. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of temporary timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary timing differences. Deferred tax assets are recognized for deductible temporary timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

N. Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- At the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

O. Foreign currency transactions and balances

a. **Initial recognition:**
Foreign currency transactions are recorded in the reporting currency (which is Indian Rupees), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b. **Conversion:**
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

c. **Exchange differences:**
All exchange differences arising on settlement or translation of monetary items are recognized as income or as expenses in the period in which they arise.

P. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Q. Segmental reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

The Joint Managing Directors of the Holding Company assesses the financial performance and position of the Group and make strategic decisions and hence has been identified as being chief operating decision maker.

Dhanvarsha Finvest Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2021

R. Provisions

A provision is recognized when the Group has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

S. Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements if the inflow of the economic benefit is probable than it is disclosed in the financial statements.

T. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

U. Good and service tax input credit

Goods and Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits. The Company has opted to claim 50% of eligible input tax credit on inputs, capital goods and input services and the balance 50% is charged to the statement of profit and loss as per applicable provisions.

Dhanvarsha Finvest Limited

Consolidated Balance Sheet as at March 31, 2021

(Rs in Lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
Assets			
Financials Assets			
(a) Cash and cash equivalents	4	3,222.53	170.84
(b) Bank balances other than cash and cash equivalents	5	1,530.37	177.94
(c) Receivables	6		
(i) Trade receivables		596.91	118.17
(ii) Other receivables		112.10	-
(d) Loans	7	9,970.19	3,288.52
(e) Investments	8	1,103.25	128.41
(f) Other financials assets	9	93.20	339.89
Total Financial Assets		16,628.54	4,220.77
Non Financials Assets			
(a) Current tax assets (Net)	10	174.49	41.67
(b) Deferred tax assets (Net)	11	119.25	188.21
(c) Property plant and equipment	12	423.00	189.40
(d) Right of use assets	13	518.82	-
(e) Capital work in progress		78.46	25.84
(f) Intangible assets under development		330.70	11.51
(g) Other Intangible assets	13	191.69	142.87
(h) Other non-financials assets	14	183.65	27.51
Total Non Financial Assets		2,020.36	627.01
Total Assets		18,648.80	4,847.78
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
(a) Payables	15		
I) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		16.96	9.20
- Total outstanding dues of creditors other than micro enterprises and small enterprises		166.35	27.24
II) Other payables			
- Total outstanding dues of micro enterprises andsmall enterprises		21.56	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		48.05	13.30
(b) Debt Securities	16	601.38	-
(c) Borrowings (Other than debt securities)	17	7,450.85	1,560.75
(d) Other financial liabilities	18	58.12	22.96
Total Financial Liabilities		8,363.87	1,633.45
Non-Financial Liabilities			
(a) Current tax liabilities(Net)	10	60.76	33.29
(b) Provisions	19	64.34	24.84
(c) Other non-financial liabilities	20	168.46	40.89
Total Non Financial Liabilities		293.56	99.02
Total Liabilities		8,657.43	1,732.47
EQUITY			
(a) Equity share capital	21	1,529.24	1,350.78
(b) Other equity	22	8,462.13	1,764.53
Total Equity		9,991.37	3,115.31
Total Liabilities and Equity		18,648.80	4,847.78
Significant accounting policies and notes to the consolidated financial statements			1 to 54

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
Date : June 10, 2021

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For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Karan Desai
Joint Managing Director
DIN: 05285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

Sanjay Kukreja
Chief Finance Officer

Date : June 10, 2021

Fredrick Pinto
Company Secretary
M. No. 22085
Date : June 10, 2021

Dhanvarsha Finvest Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(Rs in Lakhs)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
	Revenue from operations			
(i)	Interest income	23	1,224.41	641.78
(ii)	Fees and commission income	24	1,728.52	1,260.63
(iii)	Net gain on fair value changes	25	8.43	8.16
I.	**Total Revenue from operations**		2,961.36	1,910.57
II.	Other Income	26	45.05	18.81
III.	**Total Income(I+II)**		3,006.41	1,929.38
IV.	**Expenses**			
(i)	Finance costs	27	423.13	168.59
(ii)	Fees and commission expense	28	29.61	0.79
(iii)	Impairment on financial instruments	29	43.67	39.87
(iv)	Employee benefits expenses	30	1,315.01	701.84
(v)	Depreciation, amortization and impairment	31	127.07	46.72
(vi)	Others expenses	32	789.70	421.47
	Total Expenses(IV)		2,728.19	1,375.08
V.	**Profit before exceptional items and tax (III-IV)**		278.22	554.30
	Exceptional items		-	-
VI.	**Profit before tax (III-IV)**		278.22	554.30
VII.	**Tax expense:**	33		
	Current tax		117.41	172.52
	Deferred tax		29.39	(16.99)
	Tax Adjustment for earlier years		1.32	(7.32)
	Total Tax Expense		148.12	148.20
VIII.	**Profit for the period (VI-VII)**		130.10	406.10
IX.	Other comprehensive income			
A.	**Items that will not be reclassified to profit or loss**			
i)	Remeasurement gain / (loss) on defined benefit plan	33	1.95	(1.66)
ii)	Income tax impact on above		(0.54)	0.46
	Total (A)		1.41	(1.20)
B.	**Items that will reclassified to profit or loss**		-	-
X.	**Other comprehensive income/(loss) (A+B)**		1.41	(1.20)
XI.	**Total comprehensive income(VIII+XI)**		131.51	404.90
XII.	**Earnings per equity share**	34		
	Basic (INR)		0.88	3.01
	Diluted (INR)		0.69	2.83
	Significant accounting policies and notes to the consolidated financial statements	1 to 54		

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
Date : June 10, 2021

MUMBAI

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Karan Desai
Joint Managing Director
DIN: 00285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

Sanjay Kukreja
Chief Finance Officer

Fredrick Pinto
Company Secretary
M. No. 22085

Date : June 10, 2021

Date : June 10, 2021

Dhanvarsha Finvest Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2021

(Rs in Lakhs)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit Before Taxes	**278.22**	**554.30**
	Adjustment for:		
	Interest income from fixed deposits	(34.27)	(10.50)
	Profit on sale of investment property	-	(4.67)
	Depreciation / Amortisation	127.07	48.72
	Impairment on financial instruments	43.67	33.67
	Realised gain on investments	(11.17)	(7.11)
	Unrealised gain on investments	2.74	(1.05)
	Fee income recognition per EIR	(51.28)	7.08
	Employee share based payment expenses	168.70	82.30
	Cash outflow towards finance cost	(600.92)	(0.04)
	Operating profit / (loss) before working capital changes	**(77.22)**	**702.70**
	Movement in working capital		
	(Increase)/decrease in loans	(6,677.06)	1,100.20
	(Increase)/Decrease in other financial assets	218.32	(343.10)
	(Increase)/Decrease in other assets	(528.15)	(117.82)
	(Increase)/Decrease in trade receivable	(590.84)	-
	Increase/(Decrease) in other payables	216.47	10.12
	Increase/(Decrease) in other financial liabilities	21.86	(56.80)
	Increase/(Decrease) in Other liabilities	(406.77)	
	Increase/(Decrease) in provisions	39.50	11.87
	Cash generated from operations	**(7,783.89)**	**1,398.37**
	Income taxes paid	(253.46)	(83.72)
	Net cash from/(utilised in) operating activities	**(8,037.34)**	**1,314.65**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of property, plant and equipment and intangible assets	(1,300.13)	(181.24)
	Proceeds from sale of property, plant and equipment and intangible assets	112.10	-
	Purchase of investment at fair value through profit and loss account	(5,074.81)	(1,995.00)
	Proceeds from sale of investment at fair value through profit and loss account	4,116.84	1,874.74
	Proceeds from sale of investment Property	-	60.00
	Investment in Fixed Deposits	(3,282.50)	(160.39)
	Proceeds from sale of Fixed Deposits	1,950.00	
	Interest income from fixed deposits	34.27	10.50
	Net cash from/(utilised in) investing activities	**(3,444.23)**	**(371.39)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Issue of shares or other equity	2,174.92	2.34
	Debt securities issued	5,000.00	-
	Borrowings other than debt securities issued	8,925.00	-
	Borrowings other than debt securities repaid	(1,537.71)	(1,093.69)
	Payment of lease liability	(14.60)	(2.43)
	Dividends paid including DDT	(14.34)	(40.68)
	Net Cash from financing activities	**14,533.27**	**(1,134.46)**
	Net (Decrease)/ Increase in cash and cash equivalents (A+B+C)	**3,051.68**	**(191.20)**
	Cash and cash equivalents at the beginning of the financial year	**170.84**	**362.04**
	Cash and cash equivalents at end of the year	**3,222.52**	**170.84**

Reconciliation of cash and cash equivalents as per the cash flow statement
Cash and cash equivalents as per above comprise of the following

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks in Current accounts	3,145.69	169.48
Cash on hand (including foreign currencies)	76.83	1.36
Bank deposits with maturity of less than 3 months	-	-
Total	**3,222.52**	**170.84**

The above consolidated statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 'Statement of Cash Flows'.

For disclosures relating to changes in liabilities arising from financing activities, Refer 46

Significant accounting policies and notes to the consolidated financial statements 1 to 54

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Shilpa Shah
Partner
Membership No. 048539
Mumbai
Date : June 10, 2021

MUMBAI

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Karan Desai
Joint Managing Director
DIN: 05285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

Sanjay Kukreja
Chief Finance Officer

Fredrick Pinto
Company Secretary
M. No. 22085

Date : June 10, 2021

Date : June 10, 2021

Dhanvarsha Finvest Limited

Consolidated Statement of Changes in Equity as at March 31, 2021

A. Equity share capital

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	1,350.78	1,350.00
Changes in Equity Share capital during the year	178.46	0.78
Balance at the end of the year	1,529.24	1,350.78

B. Other Equity

(Rs in Lakhs)

Particulars	Reserve and Surplus				Money received against share warrants	Share application money pending allotment	Equity component of compound financial instruments	Capital Contribution	Total
	Securities Premium	Employee stock option outstanding	Retained Earnings	Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934					
Balance at April 1, 2019	626.56	37.86	329.71	195.64	125.00	-	-	-	1,314.78
Profit for the year	-	-	406.09	-	-	-	-	-	406.09
Additions for the year	1.56	-	-	-	-	-	-	-	1.57
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(81.74)	81.74	-	-	-	-	-
Share based payment expense	-	84.03	-	-	-	-	-	-	84.03
Share Issue Expenses	1.73	(1.73)	-	-	-	-	-	-	-
Remeasurement of defined benefit plans (net of tax)	-	-	(1.20)	-	-	-	-	-	(1.20)
Cash dividends	-	-	(33.75)	-	-	-	-	-	(33.75)
Dividend distribution tax	-	-	(6.94)	-	-	-	-	-	(6.94)
Changes during the the year	3.29	82.30	282.47	81.74	-	-	-	-	449.80
At March 31, 2020	629.84	120.16	612.18	277.38	125.00	-	-	-	1,764.54
Profit for the year	-	-	130.10	-	-	-	-	-	130.10
Additions for the year	1,397.67	-	-	-	875.00	2.92	4,376.42	279.17	6,931.18
Deletion for the year	-	-	-	-	(500.00)	-	-	-	(500.00)
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(13.69)	13.69	-	-	-	-	-
Options Exercised and lapsed	-	(0.19)	0.19	-	-	-	-	-	-
Share based payment expense	-	153.29	-	-	-	-	-	-	153.29
Utilisation of securities premium	-	(19.47)	-	-	-	-	-	-	(19.47)
ESOP's granted to employees of Subsidiary Company	-	15.42	-	-	-	-	-	-	15.42
Remeasurement of defined benefit plans (net of tax)	-	-	1.41	-	-	-	-	-	1.41
Dividend Paid	-	-	(14.34)	-	-	-	-	-	(14.34)
Dividend distribution tax	-	-	-	-	-	-	-	-	-
Changes during the the year	1,397.67	149.05	103.67	13.69	375.00	2.92	4,376.42	279.17	6,697.59
At March 31, 2021	2,027.51	269.22	715.84	291.07	500.00	2.92	4,376.42	279.17	8,462.13

Significant accounting policies and notes to the consolidated financial statements 1 to 54

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Sumant Shah
Partner
Membership No. 048539
Mumbai
Date : June 10, 2021

MUMBAI

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Karan Desai
Joint Managing Director
DIN: 05285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

Sanjay Kukreja
Chief Finance Officer

Date : June 10, 2021

Fredrick Pinto
Company Secretary
M. No. 22085
Date : June 10, 2021

4 Cash and cash equivalents

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	75.90	0.08
Foreign currency on hand	0.73	1.38
Balance with Bank (of the nature of cash and cash equivalents)	3,145.89	3.10
Cheques on hand *	-	166.38
Total	3,222.53	170.94
* These have been subsequently cleared		

5 Bank balances other than cash and cash equivalents

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unclaimed dividend accounts	18.95	18.55
Bank deposit with original maturity for more than three months	1,511.42	159.39
Total	1,530.37	177.94
Note: 1) Fixed deposit earns interest at a fixed interest rate.		
2) Bank deposits amounting to Rs.1,018.61 Lakhs (March 31, 2021 - Nil) pledged as lien against borrowings.		

6 Receivables

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Trade Receivable		
Considered good - secured	-	-
Considered good - unsecured- Others	504.12	118.17
Trade receivables which have significant increase in credit risk	95.36	-
Trade receivables credit impaired	-	-
Gross	**599.48**	**118.17**
Less: Allowances for impairment loss on credit impaired trade receivables (Refer Note 46)	2.57	-
Total (Refer Note 46)	**596.91**	**118.17**
(ii) Other Receivables		
Considered good - secured	-	-
Considered good - unsecured	112.10	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit impaired	-	-
Total	112.10	-
Less: Allowances for impairment loss on credit impaired trade receivables (Refer Note 46)	-	-
Total	112.10	-

6.1 No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

6.2

(Rs in Lakhs)

Trade receivables days past due		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	363.68
March 31, 2021	Estimated total gross carrying amount at default	-	363.68	-	35.46	200.34	-	599.48
	ECL-simplified approach	-	-	-	-	2.57	-	2.57
	Net carrying amount	-	363.68	-	35.46	197.77	-	596.91
March 31, 2020	Estimated total gross carrying amount at default	-	118.17	-	-	-	-	118.17
	ECL-simplified approach	-	-	-	-	-	-	-
	Net carrying amount	-	118.17	-	-	-	-	118.17

Reconciliation of impairment loss allowance on trade receivables:

(Rs in Lakhs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per April 01, 2019	-
Add: Addition during the year	-
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2020	-
Add: Addition during the year	2.57
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2021	2.57

(Rs in Lakhs)

Other Receivables days past due		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
March 31, 2021	Estimated total gross carrying amount at default	-	112.10	-	-	-	-	112.10
	ECL-simplified approach	-	-	-	-	-	-	-
	Net carrying amount	-	112.10	-	-	-	-	112.10
March 31, 2020	Estimated total gross carrying amount at default	-	-	-	-	-	-	-
	ECL-simplified approach	-	-	-	-	-	-	-
	Net carrying amount	-	-	-	-	-	-	-

The managements expects no default in receipt of other receivables; also there is no history of default observed by the management. Hence, no ECL has been

7 Loans and advances

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Amortised cost		
Term Loans	10,442.23	3,723.81
Total Gross (A) (Refer Note 7.1 and 46)	**10,442.23**	**3,723.81**
Less Impairment loss allowance (Refer Note 7.2 and 46)	(472.04)	(438.29)
Total Net (A)	**9,970.19**	**3,285.52**
(i) Secured by tangible assets	6,172.75	2,889.59
(ii) Secured by intangible assets	-	-
(iii) Covered by bank/government guarantees	-	-
(iv) Unsecured	4,269.48	834.22
Total Gross (B)	**10,442.23**	**3,723.81**
Less Impairment loss allowance	(472.04)	(438.29)
Total Net (B)	**9,970.19**	**3,285.52**
Loans in India		
(i) Public sector	-	
(ii) Others	10,442.23	3,723.81
Loans outside India	-	-
Total Gross (C)	**10,442.23**	**3,723.81**
Less Impairment loss allowance	(472.04)	(438.29)
Total Net (C)	**9,970.19**	**3,285.52**

7.1 The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due -

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant increase in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	More than 90 DPD
March 31, 2021			
Secured loan	4,843.51	976.40	352.84
Unsecured loan	3,983.54	195.29	90.65
Total	**8,827.05**	**1,171.69**	**443.49**
March 31, 2020			
Secured loan	2,222.04	463.04	203.88
Unsecured loan	773.82	35.94	25.09
Total	**2,995.86**	**498.98**	**228.97**

7.2 The following table summarizes the changes in loss allowances measured using expected credit loss model -

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant increase in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	More than 90 DPD
ECL Allowance -			
March 31, 2021			
Secured loan	37.20	154.73	155.80
Unsecured loan	56.06	19.86	48.38
Total	**93.26**	**174.59**	**204.19**
March 31, 2020			
Secured loan	106.40	148.39	101.29
Unsecured loan	59.80	2.97	19.44
Total	**166.20**	**151.36**	**120.73**

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DHANVARSHA FINVEST LIMITED MUMBAI

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

8. Investments (Rs in Lakhs)

Particulars	March 31, 2021						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual funds	-	-	1,103.25	-	1,103.25	-	1,103.25
(ii) Subsidiaries	-	-	-	-	-	-	-
(iii) Equity instruments	-	-	-	-	-	-	-
Total Gross (A)	-	-	**1,103.25**	-	**1,103.25**	-	**1,103.25**
(i) Investment outside india	-	-	-	-	-	-	-
(ii) Investment in india	-	-	1,103.25	-	1,103.25	-	1,103.25
Total (B)	-	-	**1,103.25**	-	**1,103.25**	-	**1,103.25**
Less: Impairment allowance (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	**1,103.25**	-	**1,103.25**	-	**1,103.25**

(Rs in Lakhs)

Particulars	March 31, 2020						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual funds	-	-	128.41	-	128.41	-	128.41
(ii) Subsidiaries	-	-	-	-	-	-	-
(iii) Equity Instruments	-	-	-	-	-	-	-
Total	-	-	**128.41**	-	**128.41**	-	**128.41**
(i) Investment outside india	-	-	-	-	-	-	-
(ii) Investment in india	-	-	128.41	-	128.41	-	128.41
Total (B)	-	-	**128.41**	-	**128.41**	-	**128.41**
Less: Impairment allowance (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	**128.41**	-	**128.41**	-	**128.41**

There are no investments measured at FVOCI or designated at FVTPL.
More information regarding the valuation methodologies can be found in Note 45

9 Other financials assets

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	25.26	5.68
Other loans and advances	15.79	334.21
Other Financial Assets	52.16	-
Total	93.20	339.89

10 Current Tax assets/(liabilities)

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Tax assets		
Advance income tax(Net of provisions of Rs. 382.71 lakhs (March 31, 2020 Rs. 223.49 lakhs)	174.49	41.67
Current Tax liabilities		
Provision for current tax(Net of advance tax of Rs. 20.18 lakhs (March 31, 2020 Rs. 87.22 lakhs)	(60.76)	(33.29)
Total	113.73	8.38

11 Deferred tax assets/(liabilities) (net)

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax asset on account of:		
Impairment loss allowance	128.20	116.02
Provision on Employee Stock Option	74.90	33.43
Expenses allowable for tax purposes when paid	18.17	6.91
EIR impact on loans measured at amortised cost	32.43	1.44
Other Temporary Differences	1.46	0.01
Deferred tax liability on account of:		
Property, plant and equipment and other intangible assets - carrying amount	(22.78)	(8.23)
EIR impact of DSA Commission	(28.59)	(1.22)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	(44.35)	-
Liability component of Compound Financial Instrument	(29.10)	-
Other Temporary Differences	(11.12)	0.25
MAT entitlement credit	-	39.59
Net deferred tax assets	119.25	188.21

11.1 Note (a): Summary of deferred tax assets/(liabilities)

(Rs in Lakhs)

Particulars	As at April 1, 2019	(Charged)/ Credited to P & L	(Charged)/ Credited to OCI	Utilised	As at March 31, 2020	(Charged)/Credited to P & L	(Charged)/Credited to OCI	Utilised	As at March 31, 2021
Impairment loss allowance	116.02	0.00	-	-	116.02	12.18	-	-	128.20
Provision on Employee Stock Option	10.53	22.90	-	-	33.43	41.47	-	-	74.90
Expenses allowable for tax purposes when paid	3.61	2.84	0.46	-	6.91	11.80	(0.54)	-	18.17
EIR impact on loans measured at amortised cost	2.87	(1.44)	-	-	1.44	30.99	-	-	32.43
Other Temporary Differences	-	0.01	-	-	0.01	1.45	-	-	1.46
Property, plant and equipment and other intangible assets - carrying amount	(0.63)	(7.60)	-	-	(8.23)	(14.56)	-	-	(22.78)
EIR impact of DSA Commission	-	(1.22)	-	-	(1.22)	(27.37)	-	-	(28.59)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	-	-	-	-	-	(44.35)	-	-	(44.35)
Liability component of Compound Financial Instrument	-	-	-	-	-	(29.10)	-	-	(29.10)
Other Temporary Differences	(1.25)	1.51	-	-	0.25	(11.81)	-	-	(11.12)
MAT Entitlement Credit	91.75	-	-	(52.15)	39.59	-	-	(39.59)	-
Net Net deferred tax assets/(liability)	222.90	16.99	0.46	(52.15)	188.21	(29.29)	(0.54)	(39.59)	119.25

12

(Rs in Lakhs)

Particulars	Property, plant and equipment						Right to Use	
	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Total	Right to Use	Total
For the year ended March 31, 2021								
Gross Carrying Amount								
Cost as at April 1, 2020	46.84	0.17	17.96	3.88	146.55	215.40		-
Additions	64.87	-	83.39	159.10	91.74	390.10	549.18	549.18
Adjustments	-	-	-	-	(115.53)	(115.53)	115.53	115.53
Disposals	-	-	-	-	-	-	(115.53)	(115.53)
Gross carrying value as of March 31, 2021	**111.71**	**0.17**	**101.36**	**163.98**	**122.76**	**489.97**	**549.18**	**549.18**
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2020	13.56	-	1.70	0.26	10.49	26.01	-	-
Depreciation charge during the year	21.47	-	8.24	1.74	11.93	43.38	30.36	30.36
Adjustments					(2.43)		2.43	
Disposals	-	-	-	-	-	-	(2.43)	(2.43)
Impairment loss	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2021	**35.03**	**-**	**9.94**	**2.00**	**19.99**	**66.96**	**30.36**	**30.36**
Net carrying value as of March 31, 2021	**76.68**	**0.17**	**91.41**	**161.98**	**102.77**	**423.00**	**518.82**	**518.82**
For the year ended March 31, 2019								
Gross Carrying Amount								
Cost as at April 1, 2019	29.37	0.17	3.97	1.08	7.62	42.21	-	-
Additions	17.47	-	13.99	2.80	138.93	173.19		-
Disposals	-	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2020	**46.84**	**0.17**	**17.96**	**3.88**	**146.55**	**215.40**	**-**	**-**
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2019	4.40	-	0.48	0.06	10.06	15.00		-
Depreciation charge during the year	9.16	-	1.22	0.20	0.43	11.01	-	-
Disposals	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2020	**13.56**	**-**	**1.70**	**0.26**	**10.49**	**26.01**	**-**	**-**
Net carrying value as of March 31, 2020	**33.28**	**0.17**	**16.26**	**3.62**	**136.06**	**189.40**	**-**	**-**

13 **Other intangible assets**

(Rs in Lakhs)

Particulars	Computer software	Total
For the year ended March 31, 2021		
Gross Carrying Amount		
Cost as at April 1, 2020	181.26	181.26
Additions	102.15	102.15
Gross carrying value as of March 31, 2021	**283.41**	**283.41**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2020	38.39	38.39
Depreciation charge during the year	53.33	53.33
Disposals	-	-
Impairment loss	-	-
Accumulated depreciation as of March 31, 2021	**91.72**	**91.72**
Net carrying value as of March 31, 2021	**191.69**	**191.69**
For the year ended March 31, 2020		
Gross Carrying Amount		
Cost as at April 1, 2019	50.08	50.08
Additions	131.18	131.18
Disposals	-	-
Gross carrying value as of March 31, 2020	**181.26**	**181.26**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2019	3.11	3.11
Depreciation charge during the year	35.28	35.28
Disposals	-	-
Accumulated depreciation as of March 31, 2020	**38.39**	**38.39**
Net carrying value as of March 31, 2020	**142.87**	**142.87**

15 Other non-financials assets

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expense	114.58	25.91
Advance to vendors	34.44	1.60
Advance to employees	10.09	
Balances with statutory/government authorities	24.74	-
Total	183.85	27.51

15 Payables

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables		
total outstanding dues of micro enterprises and small enterprises	16.95	9.20
total outstanding dues of creditors other than micro enterprises and small enterprises	166.35	27.24
Total	183.30	36.44
Other Payables		
total outstanding dues of micro enterprises and small enterprises	21.56	-
total outstanding dues of creditors other than micro enterprises and small enterprises	48.05	13.30
Total	69.61	13.30

Information required to be disclosed in accordance with Micro, Small and Medium Enterprises Development Act, 2006 has been determined based on the parties identified on the basis of information available with the Company. Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
The principal amount remaining unpaid to supplier as at the end of the year	38.52	9.20
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

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16 Debt Securities

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
At Amortised Cost		
Unsecured		
Compulsorily Convertible Debentures *	104.59	-
Secured		
Non Convertible Debentures - Privately Placed	497.39	-
Total	**601.98**	-
Deb Securities within India	601.98	-
Deb Securities outside India	-	-
Total	**601.98**	-

* Includes Rs. 104.59 issued to Related Parties

Debt Securities Disclosure

i) Privately placed redeemable non-convertible debenture of Rs. 10,00,000/- each

(Rs. in Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2021	As at March 31, 2020
24-36 Months	11.00%	375.00	-
12-24 Months	11.00%	125.00	-
Gross		500.00	-
Less: Effective Interest Rate Adjustment		(2.61)	
Net		497.39	-

Nature of Security

The facility is secured by exclusive hypothecation of standard loans & advances receivables to maintain a security cover of 1.20 times.

ii) Privately placed unsecured compulsorily convertible debenture of Rs. 111.30/- each

(Rs. in Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2021	As at March 31, 2020
Upto 18 Months	2%	4,500.00	-
Gross		4,500.00	-
Less: Equity component of compound financial instrument		(4,376.42)	-
Less: Accrued Interest Adjustment		(18.99)	-
Net		104.59	-

Terms of Redemption

The holder shall have the option to convert the CCDs, any time prior to the expiry of 18 (eighteen) months from the date of issuance of the CCDs, provided that all compulsorily convertible debentures issued shall mandatorily convert simultaneously. Each CCD shall convert into one Equity Share at a conversion price of Rs.111.30 per equity share.

17 Borrowings (other than debt securities)

(Rs. in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Secured		
Term Loan from Banks		
- from Banks	5,900.03	390.79
- from Financial Institutions	1,194.79	
Bank Over draft	287.30	
Unsecured		
Loans repayable on demand from other parties	-	1,056.86
Lease Liability (Refer Note 49)	68.73	113.10
Total (A)	**7,450.85**	**1,560.75**
Borrowings India	7,450.85	1,560.75
Borrowings outside India	-	-
Total (B)	**7,450.85**	**1,560.75**

The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

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Borrowings Disclosure

i) Term loans from Banks & Financial Institutions

(Rs. In Lakhs)

Tenure (from the date of the Balance Sheet)	Terms of Repayment	Rate of Interest	As at March 31, 2021	As at March 31, 2020
49-60 Months	Monthly instalments	11.00%	464.28	-
49-60 Months	Monthly instalments	11-13%	-	395.17
37-48 Months	Monthly instalments	11-13%	3,269.82	-
37-48 Months	Quarterly instalments	11-13%	2,031.25	-
25-36 Months	-	-	-	-
13-24 Months	Monthly instalments	14.00%	1,257.72	-
13-24 Months	Two instalments	7.9%	500.58	-
Upto 12 Months	-	-	-	-
Gross			**7,523.65**	**395.17**
Less: Effective Interest Rate Adjustment			(159.41)	(4.38)
Less: Capital Contribution by the Holding Company in the Form of Corporate Guarantee			(269.42)	
Net			**7,094.82**	**390.79**

Nature of Security

The facility is secured on a first and exclusive charge basis by way of hypothecation over the portfolio loans in such a way that the security cover of 1.10 to 1.33 times is met. Further, the Company has provided additional security by way of lien on Fixed Deposits and Corporate Guarantee in certain cases.

ii) Bank Overdraft

(Rs. In Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2021	As at March 31, 2020
Upto 12 Months	10.50%	287.30	-

Nature of Security

The facility is secured by pledge of gold ornaments.

18 Other financial liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unpaid dividends	18.95	18.55
Payable to employees	14.07	4.41
Loan Pending Disbursal	10.29	-
NPS Contribution	0.07	-
Other financial liabilities	14.74	-
Total	**58.12**	**22.96**

19 Provisions

(Rs. In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity (Refer Note 39)	16.83	7.25
Leave encashment and other employee benefits	47.51	17.59
Total	**64.34**	**24.84**

20 Other non-financial liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Revenue received in advance	-	3.69
Advance from customers and others	74.34	0.07
Liability towards Statutory Dues	93.57	37.13
Unearned income	0.55	-
Total	**168.46**	**40.89**

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

21 Equity share capital

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Authorised share capital		
5,00,00,000 (March 31, 2020: 5,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
Total	**5,000.00**	**5,000.00**
b. Issued, Subscribed and Paid-up:		
1,52,92,429 (March 31, 2020: 1,35,07,756) Equity Shares of Rs. 10 each	1,529.24	1,350.78
Total	**1,529.24**	**1,350.78**

c. Reconciliation of number of equity shares: (Rs in Lakhs)

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	**1,35,07,756**	**1,350.78**	**1,35,00,000**	**1,350.00**
Issued during the year	17,84,673	178.47	7,756	0.78
Balance as at the end of the year	**1,52,92,429**	1,529.24	**1,35,07,756**	**1,350.78**

d. Details of shareholders holding more than 5% shares in the Holding Company

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% of holding	No. of Shares	% of holding
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	93,82,826	61.36%	76,82,200	56.87%
Siddhi Jaiswal	7,82,571	5.11%	-	0.00%
Total	**1,01,65,397**	**66.47%**	**76,82,200**	**56.87%**

e. Shares of the Company held by the Ultimate Holding Company

Particulars	As at March 31, 2021	As at March 31, 2020
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	93,82,826	76,82,200
Total	**93,82,826**	**76,82,200**

f.Shares resevred for issues under options (Rs in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
Equity shares of Rs. 10 each reserved for issue under employee stock option scheme	17,04,714	170.47	18,38,562	183.86

g. Terms and rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company. The distribution will be proportional to the number of equity shares held by the shareholders.

h. The Holding Company has not alloted any bonus shares for the period of 5 years immediately preceding March 31, 2021

i. Proposed dividends on equity shares (Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Proposed dividend on equity shares for the year ended on March 31, 2021:Rs 0.05 per share (March 31, 2020: Rs. 0.10 per share)	7.65	14.34

i. Refer Note 41- Capital for the company's objectives, policies and processes for managing capital.

Dharmarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

22 Other equity

(Rs in Lakhs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Securities premium	(i)	2,027.51	629.85
Retained earnings	(ii)	715.82	612.19
Employee stock option outstanding reserve	(iii)	268.21	128.16
Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(iv)	291.07	277.38
Money received against share warrants	(v)	500.00	125.00
Share application money pending allotment	(vi)	2.92	-
Equity component of compound financial instruments	(vii)	4,376.42	-
Capital Contribution towards corporate gaurantee	(viii)	279.17	-
Total		8,462.13	1,764.83

(i) **Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act,2013.

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	629.85	626.56
Add: premium received on issue of shares	1,397.66	1.56
Add: Utilisation on account of exercise option	-	1.73
Balance at the end of the year	2,027.51	629.85

(ii) **Retained earnings**

Retained earnings are the profits of the Company earned till date net of appropriations.

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	612.19	329.70
Profit for the year	130.10	406.06
Remeasurement of defined benefit plans (net of tax)	1.41	-1.20
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(13.69)	(81.74)
Options exercised and lapsed	0.19	-
Dividend Paid	(14.34)	(31.75)
Dividend distribution tax	-	(8.90)
Balance at the end of the year	715.82	612.19

(iii) **Employee stock option outstanding reserve**

Employee stock option outstanding reserves is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the group.

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	128.16	37.86
Add Share based payment expense	153.29	92.03
Add ESOP's granted to employees of Subsidiary Company	15.42	-
Less: Options exercised and lapsed	(0.19)	-
Less: Transfer to securities premium on account of exercise of Options	(19.47)	(1.73)
Balance at the end of the year	268.21	128.16

(iv) **Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934**

The Company maintains statutory reserve u/s 45-IC of Reserve Bank of India Act, 1934 under which a specified amount is transferred from retained earnings

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	277.38	195.64
Add: Profit transferred during the year	13.69	81.74
Balance at the end of the year	291.07	277.38

(V) **Money received against share warrants**

money received against share warrants is to be made since shares are yet to be allotted against the share warrants

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	125.00	125.00
Add: Warrants issued during the year	875.00	-
Less: Options exercised during the year	(500.00)	-
Balance at the end of the year	500.00	125.00

(vi) **Share application money pending allotment**

The amount received on the application on which allotment is not yet made

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	-	-
Add: Application money received during the year	2.92	-
Balance at the end of the year	2.92	-

(vii) **Equity component of compound financial instruments**

This represent the equity component of compound financial instruments

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	-	-
Add: Equity component of Corporate Guarantee	4,376.42	-
Balance at the end of the year	4,376.42	-

(viii) Capital Contribution towards corporate gaurantee

This represent the Capital Contribution towards corporate gaurantee

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	-	-
Add: Capital Contribution by the Holding Company in the Form of Corporate Guarantee	279.17	-
Balance at the end of the year	279.17	-

MUMBAI

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23 Interest income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on loans (at amortised cost)	1,189.45	631.28
Interest on deposit with banks (at amortised cost)	34.27	10.50
Other interest income	0.69	-
Total	**1,224.41**	**641.78**

24 Fees and commission income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income from loan services	25.67	31.40
Income from other services	1,702.85	1,229.23
Total	**1,728.52**	**1,260.63**

Revenue from contracts with customers

Below is the revenue from contracts with customers and reconciliation to statement of profit and loss

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Type of Services		
Fee and commission income	1,728.52	1,260.63
Total revenue from contract with customers	**1,728.52**	**1,260.63**
Geographical markets		
India	1,728.52	1,260.63
Outside India	-	-
Total revenue from contract with customers	**1,728.52**	**1,260.63**
Timing of revenue recognition		
Services transferred at a point in time	1,728.52	1,253.55
Services transferred over time	-	7.08
Total revenue from contracts with customers	**1,728.52**	**1,260.63**

Contract balance (Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables	598.91	118.17

25 Net gain on fair value changes

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On Trading Portfolio		
Investment in mutual funds	8.43	8.16
(ii) Others	-	-
Total Net Gain on Fair Value Changes (B)	**8.43**	**8.16**
Fair value changes:		
Realised	11.17	7.11
Unrealised	(2.74)	1.05
Total Net Gain on Fair Value Changes (C)	**8.43**	**8.16**

* Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.

26 Other income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent income	-	1.10
Net gain/(loss) on derecognition of property, plant and equipment and investment property	-	4.67
Gain on foreign currency transactions	-	0.04
Recovery from written off accounts	-	13.00
Miscellaneous income	45.05	-
Total	**45.05**	**18.81**

Dharmarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

27 Finance costs

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
On Financial liabilities measured at amortised cost		
Interest on borrowings (other than debt securities)	407.57	163.61
Interest on debt securities	12.50	-
Other interest expense		
Interest on lease liabilities	2.98	2.17
Interest on taxes	-	2.81
Total	**423.13**	**168.58**

28 Fees and commission expense

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Commission	29.61	0.79
Total	**29.61**	**0.79**

29 Impairment on financial instruments

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Loans	33.76	21.27
Receivable	2.57	-
Bad Debts	7.34	12.40
Total	**43.67**	**33.67**

Year ended March 31, 2021

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	(72.94)	23.25	83.46	-	33.76
Receivables	-	-	-	2.57	2.57
Total impairment loss	**(72.94)**	**23.25**	**83.46**	**2.57**	**36.33**

Year ended March 31, 2020

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	(79.82)	125.40	(24.31)	-	21.27
Total impairment loss	**(79.82)**	**125.40**	**(24.31)**	**-**	**21.27**

MUMBAI

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Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

30 **Employee benefits expenses**

(Rs in Lakhs)

Salaries and wages	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages	1,065.12	576.85
Gratuity Expenses (Refer Note 38)	11.53	5.60
Contribution to provident and other funds	57.93	25.59
Share based payments to employees (Refer Note 36)	168.70	84.03
Staff welfare expenses	11.73	9.77
Total	1,315.01	701.84

31 **Depreciation, amortization and impairment**

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation and amortisation expenses (Refer Note 12)	73.74	13.44
Amortization of intangible assets (Refer Note 13)	53.33	35.28
Total	127.07	48.72

32 **Others expenses**

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent, Rates and taxes	100.64	68.59
Repairs and maintenance	2.39	4.36
Energy Costs	12.95	6.65
Communication costs	10.38	5.29
Advertisement and publicity	16.64	27.31
Director's fees, allowances, and expenses	62.97	40.05
Auditor fees and expenses (Refer Note 32.1)	37.42	11.78
Legal and professional charges	261.57	118.07
Insurance	11.99	13.29
Other expenditure:		
- Annual Maintenance Charges	17.08	15.26
- Brokerage	11.92	2.88
- Donation	5.15	-
- GST Input Tax Credit written off	73.40	32.10
- Office Expenses	29.95	15.63
- Processing fee on co-lending business	15.56	-
- Software Licences Expenses	14.34	7.52
- Travel & Conveyance	16.69	26.78
- Website & Server Maintenance Expenses	26.60	23.40
- Miscellaneous Expenditure	62.06	2.71
Total	789.70	421.47

32.1 **Auditor fees and expenses**

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As Auditor:		
- Statutory audit fees	15.00	6.68
- Limited review fees	8.26	3.50
- Tax audit fees	2.00	1.00
- Reimbursement of expenses	0.82	-
In other capacity:		
- Certification	11.35	0.60
Total	37.42	11.78

33 Income tax expense

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax		
Current tax on profits for the year	117.41	172.52
Adjustments for current tax of prior periods	1.32	(7.32)
Mat credit entitlement	-	-
Total Current Tax	**118.73**	**165.20**
Deferred tax expense (income)		
Decrease in deferred tax assets (Refer Note 11)	29.39	(16.99)
Total deferred tax expense/(benefit)	**29.39**	**(16.99)**
Total tax expense	**148.12**	**148.20**

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate.

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2021 and year ended March 31, 2020 is, as follows.

33.1 Reconciliation of effective tax rate:

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before income tax expense	278.22	554.30
Enacted income tax rate in India applicable to the Company 27.82% (2019-20 – 27.82%)	77.40	154.20
Tax effect of:		
Permanent disallowances	15.24	-
Deferred tax assets not created on OCI	0.54	(0.46)
Long term capital gain on sale of property	-	(1.30)
Difference in tax rates for short term capital gains	(1.24)	(0.81)
Permanent disallowances		
Provision for ESOP	46.93	-
Others	7.53	3.66
Tax in respect of earlier period	1.32	(7.32)
Total tax expense	**148.12**	**148.20**
Effective tax rate	53.24	26.74

33.2 Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity.

34 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Group (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit attributable to the equity holders of the Holding Company (A)	130.10	406.09
Weighted Average number of shares issued for Basic EPS (B)	1,47,07,668	1,36,01,206
Adjustment for calculation of Diluted EPS (c)	46,76,435	5,41,431
Weighted Average number of shares issued for Diluted EPS (D= B+C)	1,93,84,103	1,43,42,636
Basic EPS in Rs.	0.88	3.01
Diluted EPS in Rs.	0.69	2.83

During the year March 2021, the Holding Company has allotted 17,96,944 Warrants of face value of Rs.10/- each at a price of Rs.111.30 per Warrant (including Rs.101.30 towards share premium), to M/s. Wilson Holdings Private Limited, Mrs. Minad Mehta, Rohanjeet Singh Juneja, Karan Neale Desai and Elios Advisors LLP against receipt of 25% of the Warrant subscription amount. The remaining 75% of the Warrant subscription amount can be paid within a period of eighteen (18) months from the date of allotment of Warrants. These warrants are not counted in Weighted average number of Equity Shares used for calculation of diluted Earning per Share, as they are anti-dilutive.

35 Contingent liabilities & commitments

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Contingent liabilities		
Income tax matters under dispute	65.99	65.99
Commitments		
a) Capital commitments	-	18.97
(Estimated amount of contracts remaining to be executed on capital account and not provided for)	-	-
b) Loan sanction but undrawn	361.01	48.25
Total Commitments	**361.01**	**67.22**

36 Derivatives

The Group as no transactions / exposure in derivatives in the current and previous year. The Group has no unhedged foreign currency exposure as on March 31, 2021: Nil (March 31, 2020: Nil).

37 Uncertainties relating to the Global Health Pandemic from COVID-19 ("Covid-19")

The Parent Company had granted moratorium upto six months on the payment of installments falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers based on the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and May 23, 2020 relating to 'COVID-19 - Regulatory Package' and RBI guidelines on EMI moratorium dated April 17, 2020. Further, period for which moratorium was granted had not been considered for computing days past due (DPD) as on March 31, 2021. Extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory package of the RBI and DPD freeze for such period by itself is not considered to result in significant increase in credit risk as per Ind AS 109 for staging of accounts. The Group continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The COVID -19 pandemic has significantly affected various sectors of Indian economy. The prolonged lockdown imposed by the government due to Covid-19 pandemic has affected the Company's business operations. During the year, the Group has scaled up the growth in the low risky sector. Further, there has been good collection efficiencies post completion of the moratorium period and none of the customers approached for one time restructuring benefit allowed under the Resolution Framework by Reserve Bank of India dated August 6, 2020 for COVID related stress to the borrowers. Basis the abovementioned factors, the Group estimates that no additional Expected Credit Loss (ECL) provision on Loans is required on account of COVID – 19 during the quarter and year ended March 31, 2021. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Group's management is continuously monitoring the situation and the economic factors affecting the operations of the Group.

MUMBAI

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Dharmanidhi Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

35 Employee benefits

(a) Compensated absences

The compensated absences charge for the year ended March 31, 2021 of Rs 43.77 lakhs (March 31, 2020 Rs 10.77 lakhs) has been charged in the Statement of Profit and Loss.

The liability for compensated absences based on actuarial valuation amounting as of the year ended March 31, 2021 is Rs. 44.06 lakhs (March 31, 2020 : Rs. 17.66 lakhs)

(b) Post employment obligations

i. Defined contribution plans

The the group has classified the various benefits provided to employees as under:

a. Provident Fund
b. Employees' Pension Scheme 1995
c. Employee State Insurance Scheme

The Group makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner . Under the schemes, the Group is required to contribute a specified percentage of payroll cost to fund the benefits. These funds are recognized by the Income Tax authorities.

The expense recognised during the period towards defined contribution plan -

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Contribution to Provident Fund	39.16	18.85
Contribution to Employees' Pension Scheme 1995	17.23	6.75
Contribution to Employee State Insurance Scheme	1.46	-
Total	57.85	25.59

ii. Defined benefit plans

Gratuity

The Holding and Subsidiary Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs 20 lakhs. The Holding Company has a funded gratuity plan while the Subsidiary Company has an unfunded gratuity plan.

The Holding Company has a defined benefit plan in India (Funded) while the and Subsidiary Company has a defined benefit plan in India (Unfunded). The Holding Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund whereas The Subsidiary Company's defined benefit gratuity plan is a final salary plan for employees under which gratuity is paid from entity as and when it becomes due and is paid as per company scheme for gratuity.

For the Holding Company's plan, a separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by Rule 103 of Income Tax Rules, 1962. The Fund is managed by a trust which is governed by the Board of Trustees . The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year , there are no plan amendments, curtailments and settlements.

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(Rs in Lakhs)

Sr No	Defined benefit plans	For the year ended March 31, 2021		For the year ended March 31, 2020	
		Gratuity (Funded)	Gratuity (Unfunded)	Gratuity (Funded)	Gratuity (Unfunded)
I	**Expenses recognised in statement of profit and loss during the year:**				
	Current service cost	10.15	0.96	5.20	-
	Past service cost	-	-	-	-
	Expected return on plan assets	-	-	-	-
		-	-	-	-
	Net interest cost / (income) on the net defined benefit liability / (asset)	0.42	-	0.39	-
	Total expenses	10.57	0.96	5.59	-
II	**Expenses recognised in other comprehensive income**				
	Actuarial (gains) / losses due to demographic assumption changes	-	-	-	-
	Actuarial (gains) / losses due to financial assumption changes	-	-	1.09	-
	Actuarial (gains)/ losses due to experience on defined benefit obligations	(2.10)	-	0.64	-
	Return on plan assets excluding interest income	0.14	-	(0.08)	-
	Total expenses	(1.96)	-	1.65	-
III	**Net asset /(liability) recognised as at balance sheet date:**				
	Present value of defined benefit obligation	(15.72)	(5.97)	(12.92)	-
	Fair value of plan assets	5.06	-	5.67	-
	Net (Liability)/Asset Recognized in the Balance Sheet	(10.66)	(5.97)	(7.25)	-
IV	**Movements in present value of defined benefit obligation**				
	Present value of defined benefit obligation at the beginning of the year	12.92	-	5.60	-
	Current service cost	10.15	0.96	5.20	-
	Past service cost	-	-	-	-
	Liability Transferred Out/ Divestments	(6.01)	-	-	-
	Liability Transferred In/ Acquisitions	-	5.01	-	-
	Interest cost	0.76	-	0.39	-
	Actuarial (gains) / loss	(2.10)	-	1.73	-
	Benefits paid	-	-	-	-
	Present value of defined benefit obligation at the end of the year	15.72	5.97	12.92	-

V	**Movements in fair value of the plan assets**				
	Opening fair value of plan assets	5.87	-	-	-
	Interest Income	0.33	-	-	-
	Expected returns on plan assets	-	-	-	-
	Expected returns on plan assets excluding interest income	(0.34)	-	0.07	-
	Actuarial (gains) / loss on plan assets	-	-	-	-
	Contribution from employer	-	-	-	-
	Benefits paid	-	-	(0.03)	-
	Closing fair value of the plan asset	**5.86**	-	**5.87**	-
VI	**Maturity profile of defined benefit obligation**				
i	**Funding arrangements and funding policy**				
	Holding Company: The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company. **Subsidiary Company:** Gratuity plan is unfunded.				
ii	The average outstanding term of the obligations (years) as at valuation date is 8 years for the funded plan and 14 years for the funded.				
	Expected cash flows over the next (valued on undiscounted basis):				
	1st Following Year	0.93	0.01	0.03	-
	2nd Following Year	1.04	0.01	0.02	-
	3rd Following Year	1.61	0.01	0.92	-
	4th Following Year	1.86	0.01	1.00	-
	5th Following Year	2.28	0.20	1.88	-
	Sum of Years 6 To 10	8.79	1.59	7.32	-
	Sum of Years 11 and above	10.61	24.92	9.10	-

VII i	**Quantitative sensitivity analysis for significant assumptions is as below:** Increase / (decrease) on present value of defined benefit obligation at the end of the year	15.72	8.57	12.92	-
	(i) +1% increase in discount rate	(1.11)	(0.97)	(0.92)	-
	(ii) -1% decrease in discount rate	1.25	1.22	1.04	-
	(iii) +1% increase in rate of salary increase	1.12	0.47	0.91	-
	(iv) -1% decrease in rate of salary increase	(1.05)	(0.93)	(0.86)	-
	(v) +1% increase in rate of Employee Turnover	(0.83)	(0.41)	(0.86)	-
	(vi) -1% decrease in rate of Employee Turnover	0.97	0.19	0.05	-

ii **Sensitivity analysis method**

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

VIII **Risks associated with defined benefit plan**

Gratuity is a defined benefit plan and the group is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk (funded plan): The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the funded plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk. For the unfunded plan, entity has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk (funded plan): Plan is having a concentration risk as all the assets are invested with the insurance group and a default will wipe out all the assets. Although probability of this is very less as insurance Companies have to follow regulatory guidelines.

X	**Composition of plan assets**				
	Qualifying policy with Tata AIA Life Insurance Holding Company Limited	100%	NA	100%	NA

XI **Asset liability matching strategies**

The Holding Company contributes to the insurance policy based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.

XII	Actuarial assumptions:	As at March 31, 2021		As at March 31, 2020	
		Gratuity (Funded)	Gratuity (Unfunded)	Gratuity (Funded)	Gratuity (Unfunded)
1	Expected return on Plan Assets	5.58%	NA	5.76%	NA
2	Discount rate	5.58%	6.00%	5.76%	NA
3	Expected rate of salary increase	10.00%	15.50%	10.00%	NA
4	Rate of Employee Turnover	18.00%	5.00%	18.00%	NA
5	Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.	NA

Notes:

Holding company (Funded Plan):

a) The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The Holding Company expects to make a contribution of Rs.27.30 lakhs to the defined benefit plans (gratuity - funded) during the next financial year.

d) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

Subsidiary company (Unfunded Plan):

a) Salary escalation & attrition rate are considered as advised by the entity. They appear to be in line with the industry practice considering promotion and demand & supply of the employees.

b) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 20 years.

c) Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

39 **Segment reporting**

Operating segment are components of the group whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") of the Company to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group operates in a two reportable business segment i.e. Fund Based Activities and Advisory Services, which has similar risks and returns for the purpose of Ind AS 108 – "Operating segments".

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED		
Segment revenue		
Fund based activities	2,024.28	1,677.06
Advisory services	937.08	233.51
Total	**2,961.36**	**1,910.57**
Less : Inter segment revenue	-	-
Revenue from operations	**2,961.36**	**1,910.57**
Segment results		
Profit before tax from each segment :		
Fund based activities	58.17	512.99
Advisory services	180.70	93.27
Total	**238.87**	**606.26**
Add: Other Un-allocable Income net of expenditure	39.35	(49.16)
Profit before tax	**278.22**	**557.10**
Less: Income taxes	148.13	151.01
Profit after tax	**130.10**	**406.09**
Capital employed		
Segment assets		
Fund based activities	12,503.06	4,239.45
Advisory services	1,074.36	29.67
Unallocated	5,071.38	578.66
Total	**18,648.80**	**4,847.78**
Segment liabilities		
Fund based activities	8,348.78	1,664.73
Advisory services	228.93	15.91
Unallocated	79.71	51.83
Total	**8,657.43**	**1,732.47**
Capital expenditure		
Fund based activities	1,031.66	262.76
Advisory services	381.67	23.86
Depreciation and amortisation		
Fund based activities	91.07	48.43
Advisory services	36.00	0.29
Unallocated	-	-
Finance Cost		
Fund based activities	423.13	165.76
Advisory services	-	-
Unallocated	-	2.81
Other non-cash expenditure		
Fund based activities	43.67	33.67
Advisory services	-	-

Geographic Segment

All the assets of the Group and source of revenue of the Group is within India and hence, no separate geographical segment is identified.

40 **Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR.

(Rs in Lakhs)

Assets	As at March 31, 2021			As at March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financials Assets						
Cash and cash equivalents	3,222.53	-	3,222.53	170.84	-	170.84
Bank balances other than cash and cash equival	935.73	594.64	1,530.37	177.94	-	177.94
Receivables						
(i)Trade Receivables	596.91	-	596.91	118.17	-	118.17
(ii)Other Receivables	112.10	-	112.10	-	-	-
Loans*	4,145.61	5,824.59	9,970.19	562.03	2,723.49	3,285.52
Investments	1,103.25	-	1,103.25	128.41	-	128.41
Other Financials Assets	93.20	-	93.20	334.52	5.37	339.89
Non Financials Assets						
Current Tax Assets (Net)	-	174.49	174.49	-	41.67	41.67
Deferred Tax Assets (Net)	-	119.25	119.25	-	188.21	188.21
Investment Property	-	-	-	-	-	-
Property,Plant and Equipment	-	423.00	423.00	-	189.40	189.40
Right of use assets	-	518.82	518.82	-	-	-
Capital work -in- progress	-	78.46	78.46	-	25.84	25.84
Intangible assets under development	-	330.70	330.70	-	11.51	11.51
Other Intangible assets	-	191.69	191.69	-	142.87	142.87
Other non-financials assets	183.85	-	183.85	24.55	2.96	27.51
Non-current assets and disposal group held for s	-	-	-	-	-	-
Total Assets	10,393.18	8,255.64	18,648.80	1,516.47	3,331.31	4,847.78

(Rs in Lakhs)

Liabilities	As at March 31, 2021			As at March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Liabilities						
Payables						
I)Trade payables	183.30	-	183.30	36.44	-	36.44
II)Other payables	69.61	-	69.61	-	-	-
Debt securities		601.98	601.98	-	-	-
Borrowings (other than debt securities)	315.10	7,135.75	7,450.86	1,126.20	434.55	1,560.75
Other financial liabilities	58.12	-	58.12	36.26	-	36.26
Non-Financial Liabilities						
Current tax liabilities(Net)	60.76	-	60.76	33.29	-	33.29
Provisions	23.87	40.47	64.34	11.74	13.10	24.84
Other non-financial liabilitie	168.46	-	168.46	40.89	-	40.89
Total Liabilities	879.24	7,778.20	8,657.44	1,284.82	447.65	1,732.47

Net	9,513.95	477.44	9,991.37	231.65	2,883.66	3,115.31

41 **Capital management**

The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new capital securities. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2021.The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Group's adjusted net debt to equity ratio is as follows.

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Debt	8,052.82	1,560.75
Less: cash and cash equivalents	(3,222.53)	(170.84)
Less: Bank balances other than cash and cash equivalents	(1,530.37)	(177.94)
Adjusted net debt	**3,299.92**	**1,211.97**
Total Equity	9,991.37	3,115.31
Adjusted net debt to adjusted equity ratio	**0.33**	**0.39**

42 **Events after reporting date**

There have been no events after the reporting date that require disclosure in these financi

43 **Change in liabilities arising from financing activities**

(Rs in Lakhs)

Particulars	April 1, 2020	Cash Flows	Changes in fair values	Exchange difference	Other**	March 31, 2021
Debt securities	-	5,000.00	-	-	(4,398.02)	601.98
Borrowings (other than debt securities)*	1,445.22	7,387.29	-	-	(1,450.40)	7,382.11
Lease Liabilities	115.53	(14.60)	-	-	(32.20)	68.73
Deposits	-	-	-	-	-	-
Total liabilities from financing activities	**1,560.75**	**12,372.69**	-	-	**(5,880.62)**	**8,052.82**

(Rs in Lakhs)

Particulars	April 1, 2019	Cash Flows	Changes in fair values	Exchange difference	Other**	March 31, 2020
Debt securities	-	-	-	-	-	-
Borrowings (other than debt securities)*	2,541.32	(1,096.10)	-	-	-	1,445.22
Lease Liabilities	-	-	-	-	115.53	115.53
Deposits	-	-	-	-	-	-
Total liabilities from financing activities	**2,541.32**	**(1,096.10)**	-	-	**115.53**	**1,560.75**

*Other column includes creation of finance lease liabilities

**Other column includes creation of lease liabilities, Ind AS Adjustments & adjustments on account of Capital Contribution by the Holding Company in the Form of Corporate Guarantee.

MUMBAI

DHANVARSHA FINVEST LIMITED MUMBAI

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

44 Related party disclosures

A. Names of related parties and nature of relationship:

Description of relationship	Name of the related party
Ultimate Holding Company	M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)
Fellow Subsidiary	Wilson Financial Services Private Limited (from July 31, 2018) (Wholly owned Subsidiary of Wilson Holdings Private Limited)
Key Management Personnel (KMP)	Mr. Karan Neale Desai, Joint Managing Director
	Mr. Ashish Sharad Dalal, Non-Executive Director (Upto November 10, 2020)
	Mr. Nirmal Vinod Momaya, Independent Director
	Mr. K. P. Raghuvanshi, Independent Director
	Mrs. Manjari Kacker, Independent Director
	Mr. Dharmil Shah, Independent Director (upto August 24, 2018)
	Mrs. Arunaben Girishkumar Shah, Independent Director (upto August 24, 2018)
	Mr. Rakesh Sethi, Chairman and Independent Director (w.e.f. October 15, 2019)
	Mr. Rajiv Kapoor, Independent Director (w.e.f. February 03, 2020)
	Mr. Surender K Sehara, Independent Director (upto December 17, 2018)
	Mr. Rohanjeet Singh Juneja, Joint Managing Director (w.e.f. December 17, 2019)
	Mr. Narendra Kumar Tater, Chief Financial Officer (upto July 31, 2020)
	Mr. M Vijay Mohan Reddy, Company Secretary (upto July 31, 2020)
	Mr. Sanjay Kukreja, Chief Financial Officer (w.e.f. August 1, 2020)
	Mr. Fredrick Pinto, Company Secretary (w.e.f. August 1, 2020)
	Mr. Nimir Kishore Mehta, Non-Executive Chairman (upto December 16, 2019)
Other Related Parties	Mr. Nimir Kishore Mehta (Promoter of Wilson Holdings Private Limited)
	Prolific Ventures Pvt Ltd (Relative of Promoter Having Significant Influence)
	Mrs. Minaxi Mehta (Relative of Promoter)
	Earth Wellness Private Limited (Director Having Significant Influence)

B. Details of related party transactions:

(Rs in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2021	For the year ended March 31, 2020
Ultimate Holding Company			
M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)	Interest expense	93.86	106.80
	Reimbursement of expenses	28.13	-
	Loans Taken	875.00	-
	Loans repaid	1,305.00	1,420.00
	Interest Income	4.21	-
	Loans Given	305.00	-
	Loans repayment received	305.00	-
	Issue of share warrants	125.00	125.00
	Conversion of share warrants into Equity	500.00	-
	Issue of Equity	1,330.00	-
	Issue of UCCD	4,500.00	-
	Capital Contribution towards corporate gaurantee	201.82	-
Fellow Subsidiary			
Wilson Financial Services Private Limited (from July 31, 2018) (Wholly owned Subsidiary of Wilson Holdings	Rent income	-	1.20
	Fees Paid	15.00	-
Key Management Personnel (KMP)			
Mr. Karan Neale Desai	Remuneration and Short-termemployee benefits*	53.20	57.27
	Reimbursement of expenses	7.19	6.10
	Issue of share warrants	100.00	-
	Issue of equity	10.90	-
Mr. Narendra Kumar Tater	Remuneration and Short-termemployee benefits*	22.59	36.49
	Reimbursement of expenses	1.07	4.76
Mr. Vijay Mohan Reddy	Remuneration and Short-termemployee benefits*	14.09	26.29
	Reimbursement of expenses	0.13	5.93
Mr. Rohanjeet Singh Juneja	Remuneration and Short-termemployee benefits*	52.59	17.89
	Reimbursement of expenses	7.66	1.66
	Issue of share warrants	100.00	-
Mr. Sanjay Kukreja	Remuneration and Short-termemployee benefits*	31.45	-
	Reimbursement of expenses	1.50	-
Mr. Fredrick Pinto	Remuneration and Short-termemployee benefits*	14.15	-
	Reimbursement of expenses	2.99	-
Mr. Ashish Sharad Dalal	Sitting fees and commission	6.66	7.00
Mr. Nirmal Vinod Momaya	Sitting fees and commission	10.91	7.00
Mr. K. P. Raghuvanshi	Sitting fees and commission	11.41	8.25
Mrs. Manjari Kacker	Sitting fees and commission	12.56	5.25
Mr. Dharmil Shah	Sitting fees and commission	-	(1.35)
Ms. Arunaben Girishkumar Shah	Sitting fees and commission	-	(1.35)
Mr. Surender K Sehara	Sitting fees and commission	-	5.08
Mr. Rakesh Sethi	Sitting fees and commission	10.16	4.25
Mr. Rajiv Kapoor	Sitting fees and commission	11.16	1.09
Mr. Nimir Kishore Mehta	Sitting fees and commission	-	1.06
Other Related Parties			
Mrs. Minaxi Mehta	Issue of share warrants	125.00	-
Mr. Nimir Kishore Mehta	Rent paid	24.76	60.00
	Reimbursement of expenses	0.62	0.72
	Profession fees paid	0.06	-
Prolific Ventures Pvt Ltd	Rent paid	40.38	4.60
	Reimbursement of expenses	0.80	0.03
	Security deposit	-	6.90
	ROU Asset	464.83	-
Earth Wellness Private Limited	Staff Welfare expenses	0.20	-

C. Details of balances outstanding for related party transactions: (Rs in Lakhs)

Name of the related party	Nature of Transaction	As at March 31, 2021	As at March 31, 2020
Ultimate Holding Company			
M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)	Short Term borrowing given	0.12	1,030.00
	Equity Share Capital	938.28	768.22
	Share Warrants	125.00	125.00
	UCCD	4,500.00	-
	Capital Contribution towards corporate gaurantee	281.92	-
Key Management Personnel (KMP)			
Mr. Ashish Sharad Dalal	Sitting fees and commission	0.58	-
Mr. Nirmal Vinod Momaya	Sitting fees and commission	0.58	-
Mr. K. P. Raghuvanshi	Sitting fees and commission	0.58	-
Mrs. Manjari Kacker	Sitting fees and commission	0.58	-
Mr. Rakesh Sethi	Sitting fees and commission	0.61	-
Mr. Rajiv Kapoor	Sitting fees and commission	0.61	-
Mr. Karan Neale Desai	Reimbursement of expenses	-	1.12
	Equity Share Capital	3.63	-
	Share Warrants	100.00	-
Mr. Rohanjeet Singh Juneja	Reimbursement of expenses	-	0.40
	Share Warrants	100.00	-
Mr. Sanjay Kukreja	Reimbursement of expenses	0.48	-
Other Related Parties			
Mrs. Minaxi Mehta	Share Warrants	125.00	-
Prolific Ventures Pvt Ltd	Trade Payable	11.07	-
	Security deposit	6.90	6.90
Mr. Nimir Kishore Mehta	Trade Payable	2.46	-
	Reimbursement of expenses	0.62	-

*As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above

D The options granted and outstanding for the key managerial personnel as of March 31, 2021 and March 31, 2020 is as provided below:

Name of the KMP	Grant Date	Expiry date	Shares outstanding	
			Mar-21	Mar-20
Mr. Karan Neale Desai	05-11-2018	04-11-2025	3,27,140	3,63,489
Mr. Narendra Kumar Tater	05-11-2018	04-11-2025	-	1,93,861
Mr. Vijay Mohan Reddy	05-11-2018	04-11-2025	-	68,799
Mr. Karan Neale Desai	17-12-2019	16-12-2026	2,36,511	2,36,511
Mr. Rohanjeet Singh Juneja	17-12-2019	16-12-2026	6,00,000	6,00,000
Mr. Karan Neale Desai	31-07-2020	01-08-2028	75,000	-
Mr. Rohanjeet Singh Juneja	31-07-2020	01-08-2028	75,000	-
Total			13,13,651	14,63,660

E The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

48 Fair value measurement

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs in Lakhs)

Financial Assets and Liabilities as at March 31, 2021	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	3,222.53	3,222.53	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	1,930.37	1,930.37	-	-	-	-
Receivables				-				
Trade receivables	-	-	596.91	596.91	-	-	-	-
Other receivables	-	-	112.10	112.10	-	-	-	-
Loans	-	-	9,970.19	9,970.19	-	-	-	-
Investments	1,103.25	-	-	1,103.25	1,103.25	-	-	1,103.25
Other financials assets	-	-	93.20	93.20	-	-	-	-
	1,103.25	-	**15,925.30**	**16,028.54**	**1,103.25**	-	-	**1,103.25**
Financial Liabilities								
Payables								
Trade payables	-	-	183.30	183.30	-	-	-	-
Other payables	-	-	69.61	69.61	-	-	-	-
Debt Securities			601.98	601.98	-	-	-	-
Borrowings (other than debt securities)	-	-	7,450.85	7,450.85	-	-	-	-
Other financial liabilities	-	-	58.12	58.12	-	-	-	-
	-	-	**8,363.86**	**8,363.86**	-	-	-	-

(Rs in Lakhs)

Financial Assets and Liabilities as at March 31, 2020	Carrying Amount				Fair Value			
	Fair value [illegible]	Fair value [illegible]	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	170.84	170.84	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	177.94	177.94	-	-	-	-
Receivables				-				
Trade receivables	-	-	118.17	118.17	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Loans	-	-	3,285.52	3,285.52	-	-	-	-
Investments	128.41	-	-	128.41	128.41	-	-	128.41
Other financials assets	-	-	339.89	339.89	-	-	-	-
	128.41	-	**4,092.36**	**4,220.76**	**128.41**	-	-	**128.41**
Financial Liabilities								
Payables								
Trade payables	-	-	36.44	36.44	-	-	-	-
Other payables	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	-	-	1,560.75	1,560.75	-	-	-	-
Other financial liabilities	-	-	36.26	36.26	-	-	-	-
			1,633.45	**1,633.45**	-	-	-	-

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a. The carrying amounts of trade receivables, trade payables, other receivables, cash and cash equivalent including other bank balances , other financials assets and other financial liabilities , etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b. Financial instruments with fixed interest rates are evaluated by the group based on parameters such as interest rates and individual credit worthiness of the counterparty.Based on this evaluation, allowances if required, are taken to account for expected losses of these instruments.Thus, Amortised cost shown in A. above, is after adjusting ECL amount.

c. **Fair value hierarchy**

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Company-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

C. Valuation techniques used to determine fair value
Investments in Mutual Funds

The fair values of investments in mutual funds is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

D.Transfers between Level 1 and Level 2 and between Level 1 and Level 3

There were no transfers between level 1 and 2 and between Level 1 and Level 3 during the period. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

46 **Financial risk management**

The Group has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Group. Together they help in achieving the business goals and objectives consistent with the Group's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Group's financial risk management is an integral part of how to plan and execute its business strategies.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

(A) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Trade and other receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of busines.

Summary of the Group's exposure to credit risk by age of the outstanding from various customers is as follows:

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding for a period not exceeding six months	504.12	118.17
Outstanding for a period exceeding six months	95.36	-
Gross Trade Receivables	**599.48**	**118.17**
Less: Impairment Loss	2.57	-
Net Trade Receivables	**596.91**	**118.17**

On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss. The Group computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and the Group's historical experience for customers. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

ii) Loans and financial assets measured at amortized cost

The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due -

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
0-30 Days Past Due		
Secured	4,843.51	2,222.04
Unsecured	3,983.54	773.82
30-90 Days Past due		
Secured	976.40	465.04
Unsecured	195.29	35.94
More than 90 Days Past Due		
Secured	352.84	201.88
Unsecured	90.65	25.09
Total	10,442.23	3,723.79

The Group reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the Group is into small ticket loan business, there is no significant credit risk of any individual customer that may impact the Group adversely, and hence the Group has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Group categorizes loan assets into stages primarily based on the Months Past Due status.

Stage 1 : 0-30 days past due

Stage 2 : 31-90 days past due

Stage 3 : More than 90 days past due

MUMBAI

DHANVARSHA FINVEST LIMITED MUMBAI

(i) Definition of default
The Group considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

(ii) Exposure at default
"Exposure at Default" (EAD) represents the gross carrying amount of the assets subject to impairment calculation.

(iii) Estimations and assumptions considered in the ECL model
Measurement of Expected Credit Losses
The Group has applied a three-stage approach to measure expected credit losses (ECL) on debt instruments accounted for at amortised cost. Assets migrate through following three stages based on the changes in credit quality since initial recognition:

(a) Stage 1: 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.

(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk of its financial assets since initial recognition by comparing the risk of default occurring over the expected life of the asset. In determining whether credit risk has increased significantly since initial recognition, the Group uses information that is relevant and available without undue cost or effort. This includes the Group's internal credit rating grading system, external risk ratings and forward-looking information to assess deterioration in credit quality of a financial asset.

The Group assesses whether the credit risk on a financial asset has increased significantly on an individual and collective basis. For the purpose of collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account accounting instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower, collateral type, and other relevant factors. For the purpose of individual evaluation of impairment factors such as internally collected data on customer payment record, utilization of granted credit limits and information obtained during the periodic review of customer records such as audited financial statements, budgets and projections are considered.

In determining whether the credit risk on a financial asset has increased significantly, the Group considers the change in the risk of a default occurring since initial recognition. The default definition used for such assessment is consistent with that used for internal credit risk management purposes.

The Group considers defaulted assets as those which are contractually past due 90 days, other than those assets where there is empirical evidence to the contrary. Financial assets which are contractually past due 30 days are classified under Stage 2 - life time ECL, not credit impaired, barring those where there is empirical evidence to the contrary. The Group considers financial instruments (typically the retail loans) to have low credit risk if they are rated internally or externally within the investment grade. An asset migrates down the ECL stage based on the change in the risk of a default occurring since initial recognition. If in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loan loss provision stage reverses to 12-months ECL from lifetime ECL.

The Group measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Group considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the Group's internally developed statistical models and other historical data.

Macroeconomic Scenarios
In addition, the Group uses reasonable and supportable information on future economic conditions including macroeconomic factors such as CPI and repo rate. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly.

(iv) Policy for write off of Loan assets
The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets under "Other Income " in Statement of profit and loss.

MUMBAI

MUMBAI

An analysis of changes in the gross carrying amount and the corresponding ECLs as follows :

Gross exposure reconciliation

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1, 2019	**4,561.95**	**77.32**	**294.22**	**4,933.49**
New loans originated during the year	874.33	-	-	874.33
Transfers to Stage 1	40.11	-40.11	-	-
Transfers to Stage 2	(451.92)	506.08	(54.16)	-
Transfers to Stage 3	(86.77)	(34.24)	121.01	-
Write-offs	(2.81)	-	(9.58)	(12.40)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(1,939.04)	(8.09)	(124.50)	(2,071.63)
Gross carrying amount balance as at March 31, 2020	**2,995.86**	**500.98**	**226.97**	**3,723.81**
New loans originated during the year	6,988.84	273.20	0.24	7,262.27
Transfers to Stage 1	0.79	(0.17)	(0.62)	-
Transfers to Stage 2	(553.94)	553.94	-	-
Transfers to Stage 3	(35.35)	(174.35)	209.70	-
Write-offs	(0.56)	-	(6.79)	(7.35)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(568.59)	18.09	13.99	(536.51)
Gross carrying amount balance as at March 31, 2021	**8,827.05**	**1,171.69**	**443.40**	**10,442.23**

Reconciliation of ECL balance

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL Allowance- Opening Balance as at April 1, 2019	**246.02**	**25.96**	**145.04**	**417.02**
New loans originated during the year	60.28	-	-	60.28
Transfers to Stage 1	14.02	(14.02)	-	-
Transfers to Stage 2	(22.74)	49.82	(27.08)	-
Transfers to Stage 3	(4.86)	(11.95)	16.80	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(126.53)	101.55	(14.04)	(39.01)
ECL Allowance- Closing Balances as on March 31, 2020	**166.20**	**151.36**	**120.73**	**438.29**
New loans originated during the year	59.29	23.84	0.19	83.32
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(81.80)	81.80	-	-
Transfers to Stage 3	(18.57)	(75.60)	94.17	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(31.85)	(6.80)	(7.50)	(46.15)
Amounts Written off	(0.01)	-	(3.40)	(3.41)
ECL Allowance- Closing Balances as on March 31, 2021	**93.26**	**174.59**	**204.19**	**472.04**

III. Cash and bank balances

The Group held cash and cash equivalent and other bank balance of Rs. 4752.90 lakhs at March 31, 2021 (March 31, 2020: Rs. 348.78 lakhs). The same are held with bank and financial institution counterparties with good credit rating. Also, Group invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the Group to credit risk.

IV. Others

Apart from trade receivables ,loans and cash and bank balances , the Group has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows

(i) Maturities of financial assets and liabilities

The table below analyses the group financial liabilities and financial assets into relevant maturity groupings based on the remaining period as at the reporting date to contractual maturity date. The amount disclosed in the below table are the contractual un-discounted cash flows and exclude the impact of future interest payments.

(Rs. in lakhs)

Contractual maturities of financial assets March 31, 2021	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	3,222.53	-	-	3,222.53
Bank balances other than cash and cash equivalents	957.87	82.50	490.00	1,530.37
Receivables				
Trade receivables	596.91	-	-	596.91
Other receivables	112.10	-	-	112.10
Loans	4,145.61	3,179.00	3,117.61	10,442.22
Investments	1,103.25	-	-	1,103.25
Other financials assets	93.20	-	-	93.20
Total	**10,231.47**	**3,261.50**	**3,607.61**	**17,100.58**
Contractual maturities of financial liabilities March 31, 2021	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	183.30	-	-	183.30
Other payables	69.61	-	-	69.61
Debt Securities	-	505.00	-	505.00
Borrowings (other than debt securities)	1,156.42	4,749.16	1,960.12	7,865.69
Other financial liabilities	58.12	-	-	58.12
Total	**1,467.45**	**5,254.16**	**1,960.12**	**8,681.73**

(Rs. in lakhs)

Contractual maturities of financial assets March 31, 2020	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	170.84	-	-	170.84
Bank balances other than cash and cash equivalents	177.94	-	-	177.94
Receivables				
Trade receivables	118.17	-	-	118.17
Other receivables	-	-	-	-
Loans	616.91	901.88	2,210.17	3,728.96
Investments	128.41	-	-	128.41
Other financials assets	334.52	8.45	0.19	343.16
Total	**1,546.79**	**910.33**	**2,210.36**	**4,667.48**
Contractual maturities of financial liabilities March 31, 2020	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	36.44	-	-	36.44
Other payables	-	-	-	-
Borrowings (other than debt securities)	1,185.55	271.18	285.18	1,741.91
Other financial liabilities	36.26	-	-	36.26
Total	**1,258.26**	**271.18**	**285.18**	**1,814.61**

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

(C) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.The Group's exposure to, and management of, these risks is explained below.

(I) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group caters mainly to the Indian Market . Most of the transactions are denominated in the Group's functional currency i.e. Rupees. Hence the Group is not materially exposed to Foreign Currency Risk.

(II) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Holding Company's exposure to the risk of changes in market interest rates relates primarily to the Holding Company's long term debt obligation at floating interest rates. The Holding Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. There are no borrowings in the subsidiary Company and hence not exposed to interest rate risk

Interest rate risk exposure

The exposure of the Holding Company's borrowing to interest rate changes at the end of the reporting year are as follows:

(Rs In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed rate borrowings	7,898.79	1,169.97
Floating rate borrowings	287.30	390.79

Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

The Interest rate profile of the Group's interest bearing financial instruments is as follows:

Particulars	For the year ended March 31, 2021	
	100bp increase	100bp decrease
Financial Liability		
Variable rate Instrument		
Floating Rate Borrowings	2.87	(2.87)

(II) Price Risk

The Group's exposure to mutual fund is exposed to price risk and classified in the balance sheet at fair value through profit or loss. 100 bps increase in Net Assets Value (NAV) would increase profit before tax by approximately Rs. 11.05 lakhs (March 31, 2020: Rs. 1.28 lakhs). A similar percentage decrease would have resulted equivalent opposite impact.

MUMBAI

DHANVARSHA FINVEST LIMITED MUMBAI

47 Disclosure related to Leases

(A) Additions to right to use

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Lease hold property	549.18	115.53

(B) Carrying value of right of use assets at the end of the reporting year

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	113.10	-
Additions	549.18	115.53
Deletion	113.10	-
Depreciation charge for the year	30.36	2.43
Balance at the end of the year	**518.82**	**113.10**

(C) Maturity analysis of lease liabilities

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	41.34	20.70
One to five years	35.58	110.40
More than five years	-	23.00
Total undiscounted lease liabilities at reporting period	**76.92**	**154.10**
Lease liabilities included in the statement of financial position at the year ended	**68.73**	**113.10**

(D) Amounts recognised in statement of profit or loss

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on lease liabilities	2.98	2.17
Expenses relating to short-term leases	65.04	65.29
Total	**85.81**	**67.46**

(E) Amounts recognised in the statement of cash flows

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Operating activity	65.04	65.29
Financial activity	14.60	2.43
Total cash outflow for leases	**79.64**	**67.72**

Sub Lease

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the rightof- use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

The Group had sub-leased the office premises under operating lease for which lease income is recognized in the Statement of Profit and Loss for the year amounting to Rs. Nil (March 31, 2020: Rs. 1.10 lakhs). There is no lock-in period for such sub-lease and agreement can be cancelled by both the parties.

MUMBAI

DHANVARSHA FINVEST LIMITED MUMBAI

48 Employee Stock Options Scheme (ESOP)

The Holding Company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2018 (ESOP 2018) to its employees and subsidiary's employees. These options are vested during 4 years from the grant date and exercisable with in 4 years from vesting date.In the case of resignation of the employee, the grants lapse (if not exercised) after the date of resignation from service.Vesting of options is subject to continued employment with the Holding Company. The plan is an equity settled plan. The employee compensation expense for the year has been determined on fair value basis as on March 31, 2021. The said ESOPs will start its vesting period from November 5, 2019. The details of which are as follows.

ESOP Scheme	Particulars	Date of Grant	Date of Board Approval	Total options granted
ESOP Scheme 2018	Grant 1	05-Nov-18	05-Nov-18	11,17,710
ESOP Scheme 2018	Grant 2	22-May-19	22-May-19	1,13,742
ESOP Scheme 2018	Grant 3	17-Dec-19	17-Dec-19	8,36,511
ESOP Scheme 2018	Grant 4	31-Jul-20	31-Jul-20	1,50,000
ESOP Scheme 2018	Grant 5	31-Jul-20	31-Jul-20	1,35,000

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Series Reference	2019-2023 T-1		2020-2024 T-2		2020-2024 T-3		2020-2024 T-4		2020-2024 T-5	
Fair value of the option range	23.39 - 23.98		31.44 - 34.87		41.36 - 44.82		51.81 - 65.38		51.81 - 65.38	
Exercise price	30		50		50		50		70	
Vesting period (see table below)	12 to 48 months		12 to 48 months		12 to 48 months		12 to 48 months		12 to 48 months	
Method of settlement	Equity		Equity		Equity		Equity		Equity	
Options outstanding as at beginning of reporting period	**9,12,503**	**11,17,710**	**89,548**	-	**8,36,511**	-	-	-	-	-
Options granted during the year		-	-	1,13,742	-	8,36,511	1,50,000	-	1,35,000	-
Options lapse during the year	29,272	1,97,451	-	24,194	-	-	-	-	-	-
Options Forfeited during the year	3,34,801									
Options exercised during the year	47,547	7,756	7,228.00	-	-	-	-	-	-	-
Options outstanding as at end of reporting period	**5,00,883**	**9,12,503**	**82,320**	**89,548**	**8,36,511**	**8,36,511**	**1,50,000**	-	**1,35,000**	-

Manner of vesting: In a graded manner over a 4 year period with 10%, 20%, 30% and 40% of the grants vesting in each year commencing from the start date of the first tranche.

In respect of stock options granted pursuant to the Holding Company's stock option scheme, the fair value of the options is treated as discount and accounted as "Expenses on Employee Stock Option Plan" over the vesting period.

Expenses on Employee Stock Option Plan debited to Statement of Profit and Loss during the year 2020-21 is Rs. 168.73 lakhs (2019-20 Rs. 84.03 lakhs)

48.1 Fair valuation :

The fair value of options have been calculated on the date of the grant, using Black-Scholes model by an external firm of valuer.
The key assumptions used in Black-Scholes model for calculating fair value as on the date of the grant are:

Grant Date	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of Underlying share at the time of option grant
05-Nov-18	7.35% - 7.46%	4.5 to 6 years	46.1%-47.5%	0.0229	43.6
22-May-19	6.86% - 7.41%	4.5 to 6 years	0.465	0.0073	61.8
17-Dec-19	6.86% - 7.41%	4.5 to 6 years	0.465	0.0073	73.9
31-Jul-20	5.13% - 5.64%	4.5 to 6 years	0.45	0.0062	88.5
31-Jul-20	5.13% - 5.64%	4.5 to 6 years	0.45	0.0062	88.5

48.2 Total carrying amount at the end of the year in Employee Stock Options under other equity

(Rs in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total carrying amount	269.21	120.16

49 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries

(Rs in Lakhs)

Name of the Enterprise	As on March 31,2021							
	Net Assets i.e Total Assets minus Total Liabilities		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)
Parent								
Dhanvarsha Finvest Limited	99.45%	9,936.25	52.61%	68.45	100.00%	1.41	53.13%	69.86
Subsidiaries								
DFL Technologies Private Limited	7.77%	776.25	49.68%	64.63	-	-	49.15%	64.63
Total	-	10,712.50	-	133.08	-	1.41	-	134.50
Adjustments arising out of Consolidation	(7.22%)	(721.13)	(2.30%)	(2.99)	-	-	(2.28%)	(2.99)
Consolidated Figures	**100.00%**	**9,991.37**	**100.00%**	**130.10**	**100.00%**	**1.41**	**100.00%**	**131.51**

(Rs in Lakhs)

Name of the Enterprise	As on March 31,2020							
	Net Assets i.e Total Assets minus Total Liabilities		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)
Parent								
Dhanvarsha Finvest Limited	100.12%	3,119.12	100.94%	409.89	100.00%	(1.20)	100.94%	408.69
Subsidiaries								
DFL Technologies Private Limited	0.04%	1.19	(0.94%)	(3.80)	-	-	(0.94%)	(3.80)
Total	-	**3,120.31**	-	**406.09**	-	(1.20)	-	**404.89**
Adjustments arising out of Consolidation	(0.16%)	(5.00)	0.00%	-	-	-	0.00%	-
Consolidated Figures	**100.00%**	**3,115.31**	**100.00%**	**406.06**	**100.00%**	**(1.20)**	**100.00%**	**404.89**

50 Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated September 3, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. However, such accounts had been classified as stage 3 in accordance with Note No.10 and provision had been made accordingly.
The interim order stood vacated on March 23, 2021 vide the judgement of the Hon'ble Supreme Court in the matter of Small Scale Industrial Manufacturers Association v/s UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17 DOR. STR. REC. 4/ 21.04.048/ 2021-22, dated April 07, 2021 issued in this connection. Since, the Parent Company was already classifying the NPA accounts as Stage 3 and provision was made accordingly, without considering the above mentioned asset classification benefit for accounting purpose, there is no change in asset classification on account of the interim order dated March 23, 2021.

51 In accordance with the instructions in aforementioned RBI circular dated April 7, 2021, and the Indian Banks Association (IBA) advisory letter dated April 19, 2021, the Parent Company has put in place the Board approved policy to refund / adjust the interest on interest charged during the moratorium period of March 01, 2020 to August 31, 2020 to eligible borrowers under the abovementioned circular and advisory. The Parent Company has no borrowers who are eligible for benefit as per the abovementioned RBI circular and IBA advisory.

52 During the year ended March 31, 2021, the Parent Company has not invoked resolution plans to relieve COVID-19 pandemic related stress to any of its borrowers. Therefore, disclosure as per the format prescribed as per the notification no. RBI/2020-21/16 DOR.NO.BP.BC/3.21.04.048/2020-21 dated August 6, 2020 for the year ended March 31, 2021 is not applicable to the Company.

53 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Group towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

54 Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
Date : June 10, 2021

MUMBAI

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231MH1994PLC334457

Karan Desai
Joint Managing Director
DIN: 05285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

Sanjay Kukreja
Chief Finance Officer

Date : June 10, 2021

Fredrick Pinto
Company Secretary
M. No. 22085
Date : June 10, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Dhanvarsha Finvest Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Dhanvarsha Finvest Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2020, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1	**Transition to Ind AS accounting framework *(as described in note 54 of the standalone Ind AS financial statements)*** The Company has adopted Ind AS from April 1, 2019 with an effective date of April 1, 2018 for such transition. For periods up to and including the year ended March 31, 2019, the Company had prepared and presented its standalone financial statements in accordance with Accounting Standards prescribed under the section 133 of the Act (Indian GAAP) Accordingly for transition to Ind AS, the Company has prepared its standalone financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the opening Balance Sheet as at April 1, 2018 under Ind AS. The transition has involved significant change in the Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting In view of the significant degree of management judgment involved in implementation of the Ind AS framework and significance of the various disclosures, the transition to Ind AS accounting framework has been identified as an area of key focus in our audit of the standalone Ind AS financial statements.	Our audit procedures included but were not limited to the following: • Assessed the Company's process to identify the impact of adoption and transition to Ind AS; • Evaluated the design of internal controls and tested the operating effectiveness of key internal controls around the process of preparation of standalone Ind AS financial statements, • Reviewed the mandatory and optional exemptions and exceptions allowed by Ind AS and availed by the Company in applying the first-time adoption principles of Ind AS 101, • Evaluated and tested the key assumptions and judgments adopted by management in line with principles under Ind AS, • Assessed the disclosures made as required by the relevant Ind AS; and
2	**Loan Assets and Impairment Loss Allowance of Loans and Advances** ***(Refer Notes 7 and 49 to the standalone Ind AS financial statements)***	With respect to assessment of impairment loss allowance and audit of loan assets, we performed particularly the following procedures • We tested the reliability of key data inputs and related management

	The Company's portfolio of advances to customers amounts to Rs 3,723.81 lakhs as at March 31, 2020. Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Company has significant credit risk exposure considering the loan portfolio which constitutes a significant value on the Balance sheet and there is a high degree of complexity and judgment involved in estimating credit impairment, loss allowance against these loans and to additionally determine the potential impact of unprecedented COVID-19 pandemic on asset quality and impairment loss allowance. The Company's model to calculate expected credit loss ("ECL") is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ("ECL Model") including the selection and input of forward looking information. ECL provision calculation require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modeled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.	controls; • We checked the stage classification as at the balance sheet date as per the definition of Default of the Company; • We have also recalculated the ECL provision manually for selected samples; • We have reviewed the process of the Company to grant moratorium to the borrowers as per the Regulatory Package announced by the Reserve Bank of India (RBI). Further, we have relied on the assumption of the management that there will be no significant increase in the credit risk in the cases where moratorium is given and that the staging based on the days past due (DPD) will be considered as per the RBI COVID-19 Regulatory Package. We have tested on samples basis the DPD freeze for cases where moratorium is provided in accordance with RBI COVID-19 Regulatory Package; • We have broadly reviewed the underlying assumptions and estimates used by the management for the impairment loss allowance under Ind AS 109 considering the COVID-19 pandemic but the extent of impact is dependent on future developments which are highly uncertain, we have primarily relied on those assumptions and estimates. These assumptions and estimates are a subject matter of periodic review by the Company; and • For new Loan Assets disbursed during the year, we tested on sample basis, whether the credit appraisals, credit sanctioning and credit disbursements are as per Company's policy

Emphasis of Matter – Assessment of COVID 19 Impact

We draw attention to Note 40 to the standalone Ind AS financial statements, which describes the uncertainties arising from COVID 19 pandemic and impacting the Company's operations and estimates related to impairment of assets, which are dependent on future developments regarding the severity and duration of the pandemic.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Directors' Report and Corporate Governance Report, but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon. The above mentioned other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this standalone Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2019 and the transition date opening balance sheet as at April 01, 2018 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended March 31, 2018 and March 31, 2019 dated May 30, 2018 and May 22, 2019 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2".

g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 37 on Contingent Liabilities to the standalone Ind AS financial statements;

(ii) The Company did not have any long term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Purushottam Nyati
Partner
Membership No. 118970
UDIN: 20118970AAAACV9129

Place: Mumbai
Date: June 15, 2020

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Dhanvarsha Finvest Limited on the standalone Ind AS financial statements for the year ended March 31, 2020]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not hold any immovable property. Accordingly, clause 3 (i) (c) of the Order is not applicable to the Company.

(ii) The Company is a Non-Banking Finance Company ("NBFC") and hence, does not have any inventory. Accordingly, clause 3 (ii) of the Order is not applicable to the Company.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.

(iv) The Company has complied with the provisions of sections 185 and 186(1) of the Act. Further, the provisions of section 186 (except for sub-section (1)) of the Act are not applicable to the Company as it is engaged in the business of financing of loans and advances.

(v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.

(vii)

(a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, income tax, goods and services tax (GST) and any other material statutory dues applicable to it. At present, the provisions of employees' state insurance and customs duty are not applicable to the Company. During the year 2017-2018, sales tax, value added tax and service tax subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, income tax, GST and any other material statutory dues applicable to it, were outstanding, at the year end for a period of more than six months from the date they became payable.

(b) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, which have not been deposited on account of any dispute, except as follows:

Name of the statute	Nature of dues	Amount Rs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	52,78,966 *	AY 2016-17	Commissioner of Income Tax (Appeals)

Income Tax Act, 1961	Income Tax	83,29,116	AY 2018-19	Assessing Officer

* Net of Rs.13,19,742 paid under protest

(viii) During the year, the Company has not defaulted in repayment of loans or borrowings to the bank. The Company has not taken any loans or borrowings from any financial institution or government nor has it issued any debentures.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) of equity shares during the year. In our opinion, the term loans were applied for the purposes for which the loans were obtained though Idle/surplus funds which were not required for immediate utilisation were gainfully invested in liquid assets payable on demand.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is engaged in the principal business of granting loans and advances however income from financial assets is lower than 50% as required under criteria of principal business defined in terms of asset-income criteria to be as an NBFC due to the lack of credit availability as disclosed in Note 38 to the standalone Ind AS financial statements. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained by the Company.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Purushottam Nyati
Partner
Membership No. 118970
UDIN: 20118970AAAACV9129

Place: Mumbai
Date: June 15, 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date to the members of Dharvarsha Finvest Limited on the standalone Ind AS financial statements for the year ended March 31, 2020]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone Ind AS financial statements of Dharvarsha Finvest Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone Ind AS financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone Ind AS financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to standalone Ind AS financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

Purushottam Nyati

Partner

Membership No. 118970

UDIN: 20118970AAAACV9129

Place: Mumbai
Date: June 15, 2020

DHANAVARSHA FINVEST LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

1. Nature of operations

Dhanvarsha Finvest Limited (the Company) is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged primarily in the business of providing Micro Enterprise Loans, SME Loans, Other Structured Business, Personal Loans and and in providing ancillary services related to the said business activities. The Company is Non-Systematically Important Non-deposit taking Non-Banking Financial Company ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI") dated 11th March, 1998 and its shares are listed on the BSE Limited.

2. Basis of preparation

A. Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The Company has adopted Ind AS from April 1, 2019 with effective transition date of April 1, 2018 and accordingly, these financial statements together with the comparative reporting period have been prepared in accordance with the Ind AS, prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other relevant provisions of the Act. The transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act read with Rule 7 of Companies (Accounts) Rules 2014 (as amended) and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at April 1, 2018 and the comparative previous year has been restated / reclassified. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the balance sheet, statement of profit and loss and cash flow statement are provided in Note 54.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the financial statements, including the preparation of the opening Ind AS balance sheet as at April 1, 2018 being the 'date of transition to Ind AS'.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to NonBanking Financial Companies (NBFCs), as notified by the MCA.

These financial statements are approved for issue by the Board of Directors on June 15, 2020.

B. Functional and Presentation Currency

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All the amounts are rounded to the nearest lakhs with two decimals, except when otherwise indicated.

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C. Basis of Measurement

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the Act, except for:

- Financial instruments – measured at fair value
- Employees Stock Option plan as per fair value of the option
- Employee's Defined Benefit Plan as per actuarial valuation.

D. Use of Estimates and Judgements

The preparation of financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgments, estimates and assumptions are recognised in particular for:

i. Business model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii. Determination of estimated useful lives of property, plant, equipment:

Useful lives of property, plant and equipment are based on nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support and supported by independent assessment by professionals.

iii. Recognition and Measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the basis of above valuation includes discount rate, trends in salary escalation, demographics and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Further details are disclosed in Note 41.

iv. Recognition of deferred tax assets:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

v. Recognition and measurement of provisions and contingencies

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

vi. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Refer Note 48 about determination of fair value. For recognition of impairment loss on other financial assets and risk exposures, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss.

vii. Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Company assesses whether the above financial assets are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Company follows 'general approach' for recognition of impairment loss allowance on loan and advances. Under this approach impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

viii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

MUMBAI

E. Standards issued but not effective:

The amendments are proposed to be effective for reporting periods beginning on or after April 1, 2020:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

3. Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

A. Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Company and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of property , plant and equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Transition date:
The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2018 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Depreciation on plant, property and equipment

Depreciation on property, plant and equipment (except motor vehicles) is provided on straightline method at estimated useful life, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

MUMBAI

Particulars	Useful Life as per prescribed in Schedule II of the Act (year)
Computers	3
Networks and Servers	6
Furniture and fixtures	10
Office equipment	5

Motor vehicles are depreciated over a period of eight years on written down value method. Leasehold improvement is amortized over the period of the lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

B. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss.

Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Company's intangible assets is as below:

Particulars	Useful life (years)
Computer software	5

Transition Date:

On the date of transition to Ind AS, the Company has elected to continue with the net carrying value of intangible assets recognised as at April 01, 2018 measured as per previous GAAP and use that carrying value as the deemed cost of intangible assets.

C. Impairment of property, plant and equipment and intangible assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired, if any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of asset or recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at balance sheet date there is an indication that a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Recoverable amount is the higher of an asset's or cash generating unit's net selling price and value in use.

D. Revenue recognition

i. Interest Income

Interest income for all financial instruments except for those measured or designated as at FVTPL are recognised in the profit or loss account using the effective interest method (EIR). Interest on financial instruments measured as at FVTPL is included within the fair value movement during the period.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)).

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the expected cash flows are estimated by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

ii. Processing Fee and Application Fee:

Income from application and processing fees including recovery of documentation not forming part of effective rate calculation charges are recognised upfront.

iii. Delayed Payment charges, Penal Interest, Other Penal Charges, Foreclosure Charges :

Delayed Payment charges, Penal Interest, Other Penal Charges, Foreclosure Charges are recognised on receipt basis on account of uncertainty of the ultimate collection of the same.

iv. Dividends:

Dividend income is recognized when the Company's right to receive dividend is established on the reporting date.

v. **Fees & Commission Income:**

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model.

vi. **Net gain on Fair value changes**

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss.
Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVOCI.

E. Investments in subsidiaries, associates and joint ventures

The investments in subsidiaries, are carried in these financial statements at historical 'cost'. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of profit and loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

F. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

– Fixed payments, including in-substance fixed payments;

– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

– Amounts expected to be payable under a residual value guarantee; and

– The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property and hence disclosed in 'property, plant and equipment' and lease liabilities in 'Borrowings' in the statement of financial position.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of properties that are having non-cancellable lease term of less than 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a Lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

G.Financial Instruments

i. Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost

2. Financial assets to be measured at fair value through other comprehensive income
3. Financial instruments to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the cashflows of the financial assets and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

ii. Financial assets at Amortised Cost:

The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

iii. Financial assets at Fair value through Other Comprehensive Income (FVOCI):

The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

iv. Financial Instruments at Fair Value through Profit and Loss Account (FVTPL)

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Company does not have any financial instruments designated as measured at fair value through profit or loss.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Company has not designated any financial instruments as measured at fair value through profit or loss.

v. Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

vi. Derecognition of financial assets and financial liabilities

Recognition

a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.

b) Investments are initially recognised on the settlement date.

c) Borrowings are initially recognised when funds reach the Company.

d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification :

a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer only qualifies for derecognition if either:

i. The Company has transferred substantially all the risks and rewards of the asset, or

ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Company does not have any financial liabilities which have been derecognised.

vii. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

viii. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognized at the amount of the proceeds received, net of direct issue costs.

H. Impairment of Financial Assets:

The Company records allowance for expected credit losses (ECL) for all loans and debt investments, together with loan commitments to customers. The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case the allowance is based on the 12 months' expected credit loss. Both life time expected credit loss and 12 months' expected credit loss are calculated on individual loan / instrument basis.

At the end of each reporting period, the Company performs an assessment of whether the loan's / investment's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the asset.

Based on the above, the company categorises its loans in to Stage 1, Stage 2 and Stage 3 as under:
Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 months' expected credit loss. Stage 1 loans also include facilities where the credit risk has improved and the loan has been re-classified from Stage 2.

Stage 2: When a loan has shown significant increase in credit risk since origination, the Company records an allowance for the life time expected credit loss. Stage 2 loans also include facilities where the credit risk has improved and the loan has been re-classified from Stage 3.

Stage 3: When a loan is credit impaired, the Company records an allowance for the life time expected credit loss.

Calculation of Expected Credit Losses (ECL)

The Company calculates ECL to measure the expected cash shortfall, discounted at the Effective Interest Rate (EIR). Expected cash shortfall is the difference between the cash flows that are contractually due to the Company and cash flows that the Company expects to receive.

Key elements considered for ECL calculation are as under:

Probability of Default (PD): It is an estimate of the likelihood of default over a given time horizon. In order to estimate the PDs, studies on defaults experience in the past have been taken into account.

Exposure at Default (EAD): EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayment of principal and interest, whether contractually scheduled or otherwise and expected drawdown on committed loan facilities and accrued interest from missed payments. A credit conversion factor of 10% is applied for expected drawdown on committed loan facilities.

Loss Given Default (LGD): LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realization of any security.

ECL is calculated as under.
Stage 1: The Company calculates the 12 months' ECL based on the expectation of a default occurring within 12 months from the reporting date. The expected 12-month PD is applied to the EAD and multiplied by the expected LGD and discounted at the EIR.

Stage 2: When a loan has shown significant increase in credit risk since origination, the Company records an allowance for life time expected credit loss as above, but the PD and LGD is estimated over the lifetime of the loan.

Stage 3: For loans considered credit impaired, life time ECL is recognised. The method is similar to that for Stage 2 loans / assets, with the PD set at 100%.

Simplified approach for trade/other receivables and contract assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade/other receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

I. Determination of Fair Value

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: Inputs for the current assets or liability that are not based on observable market data (unobservable inputs).

J. Retirement and other employee benefits

Defined Contribution schemes

The employees of the Company who have opted, are entitled to receive benefits under the Provident Fund Scheme and Employee Pension Scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

Defined benefit plans

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss. Net interest expense / (income) on the defined liability / (assets) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other Long Term Employee Benefits

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

K. Share based payments

Employees Stock Options Plans ("ESOPs") - Equity settled

The Company grants share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Company's operations. Employees (including directors) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity settled transactions").

The cost of equity-settled transactions with employees and directors for grants is measured by reference to the fair value at the date at which they are granted. The cost of equity-settled transactions is recognised in statement profit and loss, together with a corresponding increase in other equity, representing contribution received from the shareholders, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

L. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of temporary timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary timing differences. Deferred tax assets are recognized for deductible temporary timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

M. Finance Costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- At the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

N. Foreign currency transactions and balances

i. **Initial recognition:**
Foreign currency transactions are recorded in the reporting currency (which is Indian Rupees), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. **Conversion:**
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. **Exchange differences:**
All exchange differences arising on settlement or translation of monetary items are recognized as income or as expenses in the period in which they arise.

O. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the oeriod are adjusted for the effects of all dilutive potential equity shares.

P. Segmental Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

The Joint Managing Directors of the Company assesses the financial performance and position of the Company and make strategic decisions and hence has been identified as being chief operating decision maker.

Q. Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

R. Contingent liabilities and Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements if the inflow of the economic benefit is probable than it is disclosed in the financial statements.

S. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

T. Good and Service Tax input credit

Goods and Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits. The Company has opted to claim 50% of eligible input tax credit on inputs, capital goods and input services and the balance 50% is charged to the statement of profit and loss as per applicable provisions.

Dhanvarsha Finvest Limited
Standalone Balance sheet as at March 31, 2020

(Rs in Lakhs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Assets				
Financials Assets				
(a) Cash and cash equivalents	4	169.52	352.04	250.58
(b) Bank balances other than cash and cash equivalents	5	177.94	17.55	-
(c) Receivables	6			
(i) Trade Receivables		117.64	0.65	38.39
(ii) Other Receivables		-	-	-
(d) Loans	7	3,285.32	4,510.47	4,630.02
(e) Investments	8	139.41	-	257.91
(f) Other Financials Assets	9	339.89	1.54	9.08
Non Financials Assets				
(a) Current Tax Assets (Net)	10	41.67	37.71	-
(b) Deferred Tax Assets (Net)	11	188.24	222.90	131.16
(c) Investment Property	12	-	-	56.25
(d) Property,Plant and Equipment	13	188.53	29.65	8.09
(e) Capital Work in Progress		25.84	-	-
(f) Intangible assets under development		11.81	65.07	34.36
(g) Other intangible assets	14	142.87	46.97	3.49
(h) Other non-financials assets	15	27.24	22.32	7.59
(i) Non-current assets held for sale	16	-	65.33	-
Total Assets		**4,849.82**	**5,378.20**	**5,417.92**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
(a) Payables	17			
I) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises		8.12	6.10	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		36.65	17.27	24.71
II) Other payables				
- Total outstanding dues of micro enterprises and small enterprises		-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
(b) Borrowings (Other than Debt Securities)	18	1,560.75	2,541.32	4,015.04
(c) Other financial liabilities	19	36.26	46.19	32.96
Non-Financial Liabilities				
(a) Current tax liabilities(Net)	10	33.29	-	77.06
(b) Provisions	20	24.84	12.97	7.00
(c) Deferred tax liabilities (Net)	11	-	-	-
(d) Other non-financial liabilities	21	40.79	87.61	16.22
Total Liabilities		**1,730.70**	**2,713.46**	**4,169.99**
EQUITY				
(a) Equity Share capital	22	1,350.78	1,350.00	775.78
(b) Other Equity	23	1,768.34	1,314.74	472.15
Total Equity		**3,119.12**	**2,664.74**	**1,247.93**
Total Liabilities and Equity		**4,849.82**	**5,378.20**	**5,417.92**
Significant accounting policies and notes to the standalone Financial Statements	1 to 56			

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Purushottam Nyati
Partner
Membership No. 118970

MUMBAI

Mumbai
Date : June 15, 2020

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231GJ1994PLC023528

Rakesh Sethi
Chairman
DIN: 02420709

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

N Vijay Mohan Reddy
Company Secretary
M. No.A49288

Narendra Tater
Chief Financial Officer

Hyderabad
Date : June 15, 2020

Mumbai
Date : June 15, 2020

Dhanvarsha Finvest Limited
Standalone Statement of profit and loss for the year ended March 31, 2020

(Rs in Lakhs)

	Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
I	Revenue from operations			
(i)	Interest Income	24	612.80	928.37
(ii)	Fees and commission income	25	1,260.10	861.38
(iii)	Net gain on fair value changes	26	8.16	96.69
(iv)	Others	27	28.98	16.80
	Total Revenue from operations		1,910.04	1,903.24
II.	Other Income	28	19.48	26.08
III.	Total Income(I+II)		1,929.52	1,929.32
IV.	Expenses			
(i)	Finance costs	29	168.59	517.87
(ii)	Fees and commission expense	30	0.79	0.96
(iii)	Impairment on financial instruments	31	33.67	290.22
(iv)	Employee Benefits Expenses	32	701.84	516.44
(v)	Depreciation, amortization and impairment	33	48.65	16.60
(vi)	Others expenses	34	417.92	344.72
	Total Expenses(IV)		1,371.46	1,686.61
V.	Profit / (loss) before exceptional items and tax (III-IV)		558.06	242.71
	Exceptional Items			
VI.	Profit/(loss) before tax (III-IV)		558.06	242.71
VII.	Tax expense:	35		
	Current tax		165.20	106.63
	Deferred tax		(17.03)	(77.35)
	Total Tax Expense		148.17	29.28
VIII.	Profit/(loss) for the period (VI-VII)		409.89	213.43
IX.	Other Comprehensive Income			
A.	Items that will not be reclassified to profit or loss			
i)	Remeasurement gain / (loss) on defined benefit plan		(1.66)	3.48
	Income tax impact	35	0.46	(0.97)
	Total (A)		(1.20)	2.51
B.	Items that will reclassified to profit or loss			
	Other comprehensive income/(loss) (A+B)		(1.20)	2.51
X.	Total comprehensive income(VIII+IX)		408.69	215.94
XI.	Earnings per equity share	36		
	Basic (INR.)		3.04	1.77
	Diluted (INR)		2.86	1.70
	Significant accounting policies and notes to the standalone Financial Statements	1 to 56		

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Purshottam Nyati
Partner
Membership No. 118970

Mumbai
Date : June 15, 2020

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231GJ1994PLC023528

Rakesh Sethi
Chairman
DIN: 02420709

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

M Vijay Mohan Reddy
Company Secretary
M No.A49289
Hyderabad
Date : June 15, 2020

Narendra Tater
Chief Financial Officer
Mumbai
Date : June 15, 2020

Dhanvarsha Finvest Limited
Standalone Statement of cash flows for the year ended March 31, 2020

(Rs in Lakhs)

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit Before Taxes	568.06	242.71
	Adjustment for:		
	Interest income from Fixed Deposits	(10.50)	(0.01)
	Profit on sale of investment property	(4.67)	-
	Depreciation / Amortisation	45.65	16.60
	Impairment on financial instruments	33.67	290.22
	Realised gain on investments	(7.11)	(96.85)
	Unrealised gain on investments	(1.05)	-
	Fee Income Recognition per EIR	7.08	(70.86)
	Employee share based payment expenses	82.30	37.86
	Unrealised foreign exchange gain/loss	(0.04)	0.02
	Operating (loss)/ profit before working capital changes	706.40	419.65
	Movement in working capital		
	(Increase)/decrease in Loans	1,190.19	(105.61)
	(Increase)/Decrease in other financial assets	(343.10)	(1.45)
	(Increase)/Decrease in other assets	-	(14.73)
	(Increase)/Decrease in Trade Receivable	(117.10)	37.74
	Increase/(Decrease) in Other payables	11.40	(1.36)
	Increase/(Decrease) in Other Financial liabilities	(58.75)	84.59
	Increase/(Decrease) in provisions	11.87	9.44
	Cash generated from operations	1,400.97	428.27
	Income taxes paid	(83.72)	(231.75)
	Net cash from/(utilised in) operating activities	1,317.25	196.52
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Property, plant and equipment and Intangible Assets	(192.15)	(112.81)
	Proceeds from sale of Property, plant and equipment and Intangible Assets	-	1.37
	Purchase of investment at fair value through profit and loss account	(1,995.00)	(2,245.40)
	Proceeds from sale of investment at fair value through profit and loss account	1,874.74	2,600.00
	Investment in subsidiary	(5.00)	-
	Proceeds from sale of investment at amortised cost	60.00	-
	Investment in Fixed Deposit having original maturity more than three years	(160.39)	-
	Interest income from Fixed Deposits	10.50	0.01
	Net cash from/(utilised in) investing activities	(375.32)	243.17
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Issue of Shares or Other Equity	2.34	1,325.79
	Proceeds from / (repayment of) borrowings	(1,093.66)	(1,473.72)
	Payment of Lease Liability	(2.43)	-
	Dividends paid including DDT	(40.69)	(180.30)
	Net Cash from financing activities	(1,134.45)	(328.23)
	NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(192.52)	111.46
	Cash and cash equivalents at the beginning of the financial year	362.04	250.58
	Cash and cash equivalents at end of the year	169.52	362.04

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Balances with banks in Current accounts	168.16	361.25
Cash on hand (including foreign currencies)	1.36	0.79
Bank deposits with maturity of less than 3 months	-	-
Total	169.52	362.04

The above standalone statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 'Statement of Cash Flows'.

For disclosures relating to changes in liabilities arising from financing activities, refer note 46

Significant accounting policies and notes to the standalone financial statements 1 to 56

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Purushottam Nyati
Partner
Membership No. 118970

Mumbai
Date : June 15, 2020

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231GJ1994PLC023528

Rakesh Sethi
Chairman
DIN: 02420709

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

M Vijay Mohan Reddy
Company Secretary
M. No. A49289
Hyderabad
Date : June 15, 2020

Narendra Taler
Chief Financial Officer
Mumbai
Date : June 15, 2020

Dhanvarsha Finvest Limited
Standalone Statement of changes in equity as at March 31, 2020

A. Equity share capital

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Balance at the beginning of the year	1,350.00	775.78	775.78
Changes in Equity Share capital during the year	0.78	574.22	-
Balance at the end of the year	1,350.78	1,350.00	775.78

B. Other Equity

(Rs in Lakhs)

Particulars	Reserve and Surplus				Money received against share warrants	Total
	Securities Premium	Employee stock option outstanding	Retained Earnings	Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934		
Balance at April 1, 2018	-	-	345.03	127.12	-	472.15
Profit for the year	-	-	213.43	-	-	213.43
Additions for the year	631.64	-	-	-	125.00	756.64
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(68.52)	68.52	-	-
Share based payment expense		37.86	-	-	-	37.86
Share Issue Expenses	(5.08)	-	-	-	-	(5.08)
Remeasurement of defined benefit plans (net of tax)	-	-	2.51	-	-	2.51
Total comprehensiveincome	626.56	37.86	492.45	195.64	125.00	1,477.49
Cash dividends	-	-	(135.00)	-	-	(135.00)
Dividend distribution tax	-	-	(27.75)	-	-	(27.75)
At March 31, 2019	626.56	37.86	329.70	195.64	125.00	1,314.74
Profit for the year						-
Additions for the year	1.56	-	409.89	-	-	411.45
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(81.74)	81.74	-	-
Share based payment expense	-	84.03	-	-	-	84.03
Utilisation of securities premium	1.73	(1.73)	-	-	-	-
Remeasurement of defined benefit plans (net of tax)	-	-	(1.20)	-	-	(1.20)
Total comprehensiveincome	629.85	120.16	656.64	277.38	125.00	1,809.03
Cash dividends	-	-	(33.75)	-	-	(33.75)
Dividend distribution tax	-	-	(6.94)	-	-	(6.94)
At March 31, 2020	629.85	120.16	615.95	277.38	125.00	1,768.34
Significant accounting policies and notes to the Financial Statements	1 to 56					

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Purushottam Nyati
Partner
Membership No. 118970

Mumbai
Date : June 15, 2020

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
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Joint Managing Director
DIN: 08342094

M Vijay Mohan Reddy
Company Secretary
M.No.A49289

Hyderabad
Date : June 15, 2020

Narendra Tater
Chief Financial Officer

Mumbai
Date : June 15, 2020

4 Cash and cash equivalents

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Cash on hand	0.08	0.04	2.12
Foreign currency on hand	1.28	0.75	0.45
Balance with Bank (of the nature of cash and cash equivalents)	1.78	361.25	143.52
Cheques on hand *	166.38	-	104.49
Total	**169.52**	**362.04**	**250.58**
* These have been subsequently cleared			

5 Bank balances other than cash and cash equivalents

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unclaimed dividend accounts	18.55	17.55	-
Bank deposit with original maturity for more than three months	159.39	-	-
Total	**177.94**	**17.55**	**-**
Note: Fixed deposit earns interest at a fixed interest rate			

6 Receivables

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
(i) Trade Receivable			
Considered good - secured	-	-	-
Considered good - unsecured- From related parties (Refer Note 47)	0.12	-	-
Considered good - unsecured	117.52	0.65	38.39
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables credit impaired	-	-	-
Total	**117.64**	**0.65**	**38.39**
Less: Allowances for impairment losses	-	-	-
Total (Refer Note 49)	**117.64**	**0.65**	**38.39**
(ii) Other Receivables			
Considered good - secured	-	-	-
Considered good - unsecured	-	-	-
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables credit impaired	-	-	-
Total	-	-	-
Less: Allowances for impairment losses	-	-	-
Total	-	-	-

6.1 No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private Companies respectively in which any director is a partner,a director or a member.

7 Loans and Advances

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Amortised Cost			
Term Loans			
Secured Loans	2,889.60	3,838.48	4,423.78
Unsecured Loans	834.21	1,095.01	481.63
Total Gross (A) (Refer Note 7.2 and 49)	**3,723.81**	**4,933.49**	**4,905.41**
Less:Impairment loss allowance (Refer Note 7.2 and 49)	(438.29)	(417.02)	(275.39)
Total Net (A)	**3,285.52**	**4,516.47**	**4,630.02**
(i) Secured by tangible assets	2,889.59	3,838.48	4,423.78
(ii)Secured by intangible assets	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-
(iv) Unsecured	834.22	1,095.01	481.63
Total Gross (B)	**3,723.81**	**4,933.49**	**4,905.41**
Less:Impairment loss allowance	(438.29)	(417.02)	(275.39)
Total Net (B)	**3,285.52**	**4,516.47**	**4,630.02**
Loans in India			
(i) Public Sector	-	0	0
(ii) Others	3,723.81	4,933.49	4,905.41
Loans outside India	-	-	-
Total Gross (C)	**3,723.81**	**4,933.49**	**4,905.41**
Less:Impairment loss allowance	(438.29)	(417.02)	(275.39)
Total Net (C)	**3,285.52**	**4,516.47**	**4,630.02**

7.1 The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due -

	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant ncrease in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	More than 90 DPD
March 31, 2020			
Secured Loan	2,222.04	465.04	201.88
Unsecured Loan	773.82	35.94	25.09
Total	**2,995.86**	**500.98**	**226.97**
March 31, 2019			
Secured Loan	3,466.95	77.32	294.22
Unsecured Loan	1,095.00	-	-
Total	**4,561.95**	**77.32**	**294.22**
April 1, 2018			
Secured Loan	4,423.79	-	-
Unsecured Loan	444.36	-	37.26
Total	**4,868.15**	-	37.26

7.2 The following table summarizes the changes in loss allowances measured using expected credit loss model -

	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant ncrease in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	More than 90 DPD
ECL Allowance -			
March 31, 2020			
Secured Loan	106.40	148.39	101.29
Unsecured Loan	59.80	2.97	19.44
Total	**166.20**	**151.36**	**120.73**
March 31, 2019			
Secured Loan	165.99	25.97	145.04
Unsecured Loan	80.03	-	-
Total	**246.02**	**25.97**	**145.04**
April 1, 2018			
Secured Loan	214.92	-	-
Unsecured Loan	32.53	-	27.95
Total	**247.45**	-	**27.95**

8. Investments

(Rs in Lakhs)

Particulars	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
31-Mar-20	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	128.41	-	128.41	-	128.41
(ii) Subsidiaries (Refer Note 8.1)	-	-	-	-	-	5.00	5.00
(iii) Equity Instruments	-	-	-	-	-	-	-
Total Gross (A)	-	-	128.41	-	128.41	5.00	133.41
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	128.41	-	128.41	5.00	133.41
Total (B)	-	-	128.41	-	128.41	5.00	133.41
Less: Impairment allowance (C')	-	-	-	-	-	-	-
Total Net (A-C)	-	-	128.41	-	128.41	5.00	133.41

8.1 In compliance with Ind AS 27 " Separate Financial Statements" the required information is as under:

Name of entity	Principal place of business/ country of origin	Subsidiary/ Associate/ Joint Venture	Percentage of ownership interest as on		
			March 31, 2020	March 31, 2019	April 01, 2018
			%	%	%
DFL Technologies Private Limited	India	Subsidiary	100	NA	NA

(Rs in Lakhs)

Particulars	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
31-Mar-19	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	-	-	-	-	-
(ii) Subsidiaries	-	-	-	-	-	-	-
(iii) Equity Instruments	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	-	-	-	-	-
Total (B)	-	-	-	-	-	-	-
Less: Impairment allowance (C')	-	-	-	-	-	-	-
Total Net (A-C)	-	-	-	-	-	-	-

(Rs in Lakhs)

Particulars	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
31-Mar-18	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	-	-	-	-	-
(ii) Subsidiaries	-	-	-	-	-	-	-
(iii) Equity Instruments	-	-	257.91	-	257.91	-	257.91
Total Gross (A)	-	-	257.91	-	257.91	-	257.91
(i) Investment outside India	-	-		-		-	-
(ii) Investment in India	-	-	257.91	-	257.91	-	257.91
Total (B)	-	-	257.91	-	257.91	-	257.91
Less: Impairment allowance (C')							
Total Net (A-C)	-	-	257.91	-	257.91	-	257.91

9 Other Financials Assets

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Security Deposits	5.68	1.53	0.03
Other loans and advances	-	0.01	0.05
Accrued Income	334.21	-	-
Total	339.89	1.54	0.08

10 Tax Assets/(Liabilities)

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Tax assets			
Advance income tax(Net of provisions of Rs. 223.49 lakhs (March 31, 2019 Rs.96.25 lakhs (March 31, 2018 : NIL))	41.67	37.71	-
Tax Liabilities			
Provision for current tax(Net of advance tax of Rs. 87.22 lakhs (March 31, 2019 NIL (March 31, 2018 : Rs. 33.82 lakhs))	(33.29)	-	72.06
Total	8.38	37.71	72.06

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Notes to Standalone Financial Statements for the year ended March 31, 2020

11 Deferred tax assets/(liabilities) (net)

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Deferred tax asset on account of:			
Timing difference between tax depreciation and depreciation charged in the books	-	-	4.52
Expected Credit Loss on Loans and advances	116.02	116.02	76.61
Employee Stock Option	33.43	10.53	
Gratuity	2.02	1.56	1.14
Leave Encashment	4.89	2.05	0.80
Loan upfront fees recognition as per EIR model	1.44	2.87	4.60
Fair Value of deposits	0.01	-	-
Deferred tax liability on account of:			
Fair Valuation of Investment	(6.17)	-	(28.91)
Interest Recognition on Credit impaired assets	2.42	(1.25)	-
Timing difference between tax depreciation and depreciation charged in the books	(8.19)	(0.63)	-
Loan upfront fees recognition as per EIR model	(1.22)	-	-
MAT Entitlement Credit	39.59	91.75	76.4
Net deferred tax assets	188.24	222.90	151.16

11.1 Note (a): Summary of deferred tax assets/(liabilities)

(Rs in Lakhs)

Particulars	As at April 1, 2018	(Charged) / Credited to P & L	(Charged) / Credited to OCI	As at March 31, 2019	(Charged) / Credited to P & L	(Charged) / Credited to OCI	Utilised	As at March 31, 2020
Timing difference between tax depreciation and depreciation charged in the books	4.52	(1.15)	-	(0.63)	(7.57)	-	-	(8.19)
Expected Credit Loss on Loans and advances	76.61	39.40	-	116.02	0.00	-	-	116.02
Gratuity	1.14	1.38	(0.97)	1.56	0.00	0.46	-	2.02
Leave Encashment	0.80	1.25	-	2.05	2.84	-	-	4.89
Loan upfront fees recognition as per EIR model	4.60	(1.72)	-	2.87	(1.44)	-	-	1.44
Loan processing fees recognition as per EIR model	-	-	-	-	(1.22)	-	-	(1.22)
Fair Value of deposits	-	-	-	-	0.01	-	-	0.01
Interest Recognition on Credit impaired assets	-	(1.25)	-	(1.25)	1.66	-	-	2.42
Fair Valuation of Investment	(28.91)	28.91	-	-	(6.17)	-	-	(6.17)
Employee Stock Option	-	10.53	-	10.53	22.90	-	-	33.43
MAT Entitlement Credit	76.4	13.35	-	91.75	-	-	(52.15)	39.59
Net Net deferred tax asset/(liability)	151.16	92.70	(0.97)	222.90	17.03	0.46	(52.15)	188.24

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Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2020

12 Investment Property

(Rs in Lakhs)

Particulars	Investment Property
For the year ended March 31, 2020	
Gross Carrying Amount	
Cost as at April 1, 2019	-
Additions	-
Disposals - Classified as held for sale	-
Gross carrying value as of March 31, 2020	-
Accumulated Depreciation	
Accumulated Depreciation as at April 1, 2019	-
Depreciation charge during the year	-
Disposals-Classified as held for sale	-
Accumulated depreciation as of March 31, 2020	-
Net carrying value as of March 31, 2020	-
For the year ended March 31, 2019	
Gross Carrying Amount	
Deemed cost as at April 1, 2018	56.25
Additions	-
Disposals	(56.25)
Gross carrying value as of March 31, 2019	-
Accumulated Depreciation	
Depreciation charge during the year	0.92
Disposals	(0.92)
Accumulated depreciation as of March 31, 2019	-
Net carrying value as of March 31, 2019	-

12.1 Amount recognised in profit and loss account

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
i).Rental income	-	-
ii).Direct operating expenses (including R& M)from property that generated rental income	-	-
iii).Direct operating expense (including R& M)from property other than above	-	-
iv.) Depreciation	-	0.92
v.) Profit/(Loss) frominvestment property	-	(0.92)

12.2 Contractual obligations

There are no contractual obligation inrelation to investment property

12.3 Fair value of investment properties

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Building	-	-	60.00

12.4 Estimation of Fair value

In view of the recent sale of investment property and similar assets, the management is of the opinion that the fair value of the investment property can be considered as Level 3 valuation based on market value as per sale deed.

12.5 Deemed Cost

On transition to Ind AS, the Company has elected to continue with the carrying value of its Investment Property recognised as at April 1,2018 measured as per Previous GAAP and used that carrying value as the deemed cost of the Investment Property.

(Rs in Lakhs)

Particulars	Software	Total
Gross Block	58.17	58.17
Accumulated Depreciation	1.92	1.92
Net Block	56.25	56.25

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2020

13 Property, Plant and Equipment

(Rs in Lakhs)

Particulars	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Right to Use	Total
For the year ended March 31, 2020							
Gross Carrying Amount							
Cost as at April 1, 2019	29.37	0.17	3.97	1.08	7.62	-	42.22
Additions	16.52	-	13.99	2.80	23.40	115.53	172.25
Disposals	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2020	45.89	0.17	17.96	3.88	31.02	115.53	214.46
Accumulated Depreciation							
Accumulated Depreciation as at April 1, 2019	4.40	-	0.48	0.06	7.63	-	12.57
Depreciation charge during the year	9.09	-	1.22	0.20	0.43	2.43	13.37
Disposals	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2020	13.49	-	1.70	0.26	8.06	2.43	25.94
Net carrying value as of March 31, 2020	32.41	0.17	16.26	3.62	22.97	113.10	188.53
For the year ended March 31, 2019							
Gross Carrying Amount							
Deemed cost as at April 1, 2018	5.50	0.17	1.12	0.36	0.94	-	8.09
Additions	25.08	-	3.01	0.72	6.68	-	35.50
Disposals	(1.21)	-	(0.16)	-	-	-	(1.37)
Gross carrying value as of March 31, 2019	29.37	0.17	3.97	1.08	7.62	-	42.22
Accumulated Depreciation							
Depreciation charge during the year	4.40	-	0.46	0.06	7.63	-	12.57
Disposals	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2019	4.40	-	0.48	0.06	7.63	-	12.57
Net carrying value as of March 31, 2019	24.97	0.17	3.49	1.02	-0.01	-	29.65

Deemed Cost

On transition to Ind AS, the group has elected to continue with the carrying value of its Property, plant and equipment recognised as at April 1,2018 measured as per Previous GAAP and used that carrying value as the deemed cost of the Property plant and equipment

(Rs in Lakhs)

Particulars	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Total
Gross Block	6.28	3.45	1.21	0.38	3.70	15.02
Accumulated Depreciation	0.78	3.28	0.09	0.02	2.76	6.93
Net Block	5.50	0.17	1.12	0.36	0.94	8.09

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2020

14 Other Intangible assets

(Rs in Lakhs)

Particulars	Computer software	Total
For the year ended March 31, 2020		
Gross Carrying Amount		
Cost as at April 1, 2019	50.08	50.08
Additions	131.18	-
Disposals	-	-
Gross carrying value as of March 31, 2020	**181.26**	**50.08**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2019	3.11	3.11
Depreciation charge during the year	35.28	-
Disposals	-	-
Impairment loss	-	-
Accumulated depreciation as of March 31, 2020	**38.39**	**3.11**
Net carrying value as of March 31, 2020	**142.87**	**46.97**
For the year ended March 31, 2019		
Gross Carrying Amount		
Deemed cost as at April 1, 2018	3.49	3.49
Additions	46.59	46.59
Disposals	-	-
Gross carrying value as of March 31, 2019	**50.08**	**50.08**
Accumulated Depreciation		
Depreciation charge during the year	3.11	3.11
Disposals	-	-
Accumulated depreciation as of March 31, 2019	**3.11**	**3.11**
Net carrying value as of March 31, 2019	**46.97**	**46.97**

Deemed Cost

On transition to Ind AS, the group has elected to continue with the carrying value of its intangible assets recognised as at April 1,2018 measured as per Previous GAAP and used that carrying value as the deemed cost of the intangible assets

(Rs in Lakhs)

Particulars	Software	Total
Gross Block	3.83	3.83
Accumulated Depreciation	0.34	0.34
Net Block	**3.49**	**3.49**

15 Other non-financials assets

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Prepaid expense	25.91	12.10	6.51
Advance to vendors	1.33	0.25	1.08
Balances with statutory/government authorities	-	9.97	-
Total	27.24	22.32	7.59

16 Non-current assets held for sale

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Investment Property	-	55.33	
Total	-	55.33	-

16.1 As at March 31, 2019 ,the entity has identified assets to be disposed off its investment property. The entity is in the process of discussion with various potential buyers and expects the same to be disposed off within next 12 months.

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2020

17 Payables

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	8.12	6.10	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	26.65	17.27	24.71
Total	34.77	23.37	24.71
Other Payables			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
Total	-	-	-

17.1 Information required to be disclosed in accordance with Micro, Small and Medium Enterprises Development Act, 2006 has been determined based on the parties identified on the basis of information available with the Company, which has been relied upon by the auditors. The outstanding balance on account of principal and interest as on remaining unpaid to any supplier registered as small and medium enterprises under "The Micro, Small and Medium Enterprises Development (MSMED) Act 2006" is Rs. March 31 2020 : Rs. 8.12 lakhs (March 31 , 2019 : 6.10 lakhs ; April 1 , 2018: Rs. NIL). The Company has not delayed in making payments to any of the parties registered as small and medium enterprises under MSMED, and there has been no interest accrued or paid in this regard.

18 Borrowings (Other than Debt Securities)

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
At amortised cost			
Secured			
Term Loan from Banks (Refer Note 18.1 and 18.2)	390.79	-	-
Unsecured			
Loans repayable on demand from other parties	1,056.86	2,541.32	4,015.04
Financial Lease Liability	113.10	-	-
Total (A)	1,560.75	2,541.32	4,015.04
Borrowings India	1,560.75	2,541.32	4,015.04
Borrowings outside India	-	-	-
Total (B)	1,560.75	2,541.32	4,015.04

18.1 **Maturity profile of Term loans from banks**

Term loans from Bank are repayable in 60 Equated monthly installments commencing from March, 2020 upto February, 2025. This loan carries an interest of 12.50% per annum.(Retail Prime Lending Non- Housing Rate + 260 bps rate)

18.2 **Details about the nature of the security**

i) First and exclusive charge by way of deed of hypothecation on specific book debts/receivables to be received from existing and prospective customer funded out of the term loans.

ii) Corporate Guarantee from Wilson Holding Private Limited (Formerly known as Truvalue Agro Ventures Private Limited)

iii) All hypothecated receivables have Tobe standard loans. Any receivables that is more than 90 days ,will needs to be replaced by standard receivables , so as to ensure that entire 1.1x security comprises of standard loans

iv) Irrevocable power of attorney in favor of HDFC to create mortgage/hypothecation charge in favour of HDFC over specific assets and to collect book debts directly from Company in event of default by the Company.

18.3 The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

19 Other financial liabilities

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unpaid dividends	18.55	17.55	-
Employee liabilities	4.41	13.34	6.75
Creditors for Capital Expenditure	13.30	14.15	24.00
Other Financial Liabilities	-	3.15	2.21
Total	36.26	48.19	32.96

20 Provisions

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Gratuity (Refer Note 41)	7.25	5.50	4.11
Leave Encashment (Refer Note 41)	17.59	7.37	2.89
Total	24.84	12.87	7.00

21 Other non-financial liabilities

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Revenue received in advance	3.70	3.30	0.42
Advance from Customers and Others	0.07	18.32	3.30
Creditors for Statutory dues	37.02	35.99	13.78
Unearned Income	-	-	0.72
Advance for sale of investment property	-	30.00	-
Total	40.79	87.61	18.22

12 Equity Share capital

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
a. Authorised Share Capital			
5,00,00,000 (March 31, 2019: 5,00,00,000 and April 1, 2018 1,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00	1,000.00
Total	5,000.00	5,000.00	1,000.00
b. Issued, Subscribed and Paid-up:			
1,35,07,756 (March 31, 2019: 1,35,00,000 and April 1, 2018 77,57,600) Equity Shares of Rs. 10 each	1,350.78	1,350.00	775.76
Total	1,350.78	1,350.00	775.76

c. Reconciliation of number of equity shares:

(Rs in Lakhs)

Particulars	March 31, 2020		March 31, 2019		April 1, 2018	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	1,35,00,000	1,350.00	77,57,600	775.76	77,57,600	775.76
Issued during the year	7,756	0.78	57,42,400	574.24	-	-
Balance as at the end of the year	1,35,07,756	1,350.78	1,35,00,000	1,350.00	77,57,600	775.76

d. Details of shareholders holding more than 5% shares in the Company

(Rs in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Dahiben Dwarkadas Patel	-	0.00%	4,02,000	2.98%	4,94,000	6.37%
Wilson Holding Private Limited (earlier known as "Trivalue Agro Ventures Private Limited")	76,82,200	56.87%	70,32,200	52.09%	-	0.00%
Total	76,82,200	56.87%	4,02,000	55.07%	4,94,000	6.37%

e. Shares of the Company held by the Holding Company

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Wilson Holding Private Limited (earlier known as "Trivalue Agro Ventures Private Limited")	76,82,200	70,32,200	-
Total	76,82,200.00	70,32,200	-

Subsequent to approval from Board of Directors and Shareholders of Dhanvarsha Finvest Limited on July 27, 2017, BSE Limited accorded in-principle approval on October 13, 2017 and Reserve Bank of India has accorded approval for the change in shareholding and management on June 18, 2018, a preferential issue of 57,42,200 Equity Shares has been made to Wilson Holding Private Limited (earlier known as "Trivalue Agro Ventures Private Limited") on June 29, 2018.

f. Shares reserved for issues under options

(Rs in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Equity shares of Rs. 10 each reserved for issue under employee stock option scheme	18,28,862.00	180.86	11,17,775.00	111.77

g. Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be proportional to the number of equity shares held by the shareholders.

h. The Company has not alloted any bonus shares for the period of 5 years immediately preceding March 31, 2020.

i. Refer note 44- Capital for the Company's objectives, policies and processes for managing capital

23 Other Equity

(Rs in Lakhs)

Particulars	Note	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Securities Premium	(i)	629.85	626.56	-
Retained Earnings	(ii)	615.96	329.70	365.03
Employee stock option outstanding reserve	(iii)	120.16	37.86	-
Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(iv)	277.38	195.64	107.12
Money received against share warrants	(v)	125.00	125.00	-
Total		**1,768.34**	**1,314.74**	**472.15**

(i) **Securities Premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act,2013.

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	**626.56**	-
Add: premium received on issue of shares	1.56	631.64
Add: Utilisation on account of exercise option	1.73	-
Share issue Expenses	-	(5.08)
Balance at the end of the year	**629.85**	**626.56**

(ii) **Retained Earnings**

Retained Earnings are the profits of the Company earned till date net of appropriations.

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	329.70	365.03
Profit for the year	409.89	213.43
Remeasurement of defined benefit plans (net of tax)	(1.20)	2.51
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(81.74)	(88.52)
Dividends	(33.75)	(135.00)
Dividend distribution tax	(6.94)	(27.75)
Balance at the end of the year	**615.96**	**329.70**

(iii) **Employee stock option outstanding reserves**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	**37.86**	-
Add:Share based payment expense	84.03	37.86
Less Transfer to securities premium on account of exercise of Options	(1.73)	-
Balance at the end of the year	**120.16**	**37.86**

(iv) **Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934**

The Company maintains statutory reserve u/s 45-IC of Reserve Bank of India Act,1934 under which a specified amount is transferred from retained earnings

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	195.64	107.12
Movement During the year	81.74	88.52
Balance at the end of the year	**277.38**	**195.64**

(V) **Money received against share warrants**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	125.00	-
Movement During the year	-	125.00
Balance at the end of the year	**125.00**	**125.00**

24 Interest Income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on Borrowings (at amortised cost)	602.30	528.36
Other interest income (at amortised cost)	10.50	0.01
Total	612.80	528.37

25 Fees and commission Income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income from Loan Services	31.40	94.28
Income from Other Services	1,228.70	767.10
Total	1,260.10	861.38

Revenue from contracts with customers

Below is the revenue from contracts with customers and reconciliation to statement of profit and loss

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Type of Services		
Fee and commission income	1,260.10	861.38
Total revenue from contract with customers	**1,260.10**	**861.38**
Geographical markets		
India	1,260.10	861.38
Outside India	-	-
Total revenue from contract with customers	**1,260.10**	**861.38**
Timing of revenue recognition		
Services transferred at a point in time	1,253.02	790.52
Services transferred over time	7.08	70.86
Total revenue from contracts with customers	**1,260.10**	**861.38**

Contract balance

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade Receivables	117.64	0.65	38.39

26 Net gain on fair value changes

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(A) Net gain on financial instruments at fair value through profit or loss		
Investment in Mutual funds	8.16	-
Investment in equity instruments	-	96.69
Total Net gain	**8.16**	**96.69**
Fair Value changes:		
Realised	7.11	96.69
Unrealised	1.05	-
Total Net gain	**8.16**	**96.69**

27 Other

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Penal Interest	25.49	13.46
Sourcing Charges	1.35	-
Other Charges	1.54	3.34
Total	28.38	16.80

28 Other Income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rent Income	1.77	7.30
Net gain/(loss) on derecognition of property, plant and equipment and investment property	4.87	0.00
Gain on Foreign Currency Transactions	0.84	-
Recovery from written off accounts	12.00	-
Miscellaneous Income	-	18.78
Total	**19.48**	**26.08**

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2020

29 Finance costs

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on Loans	163.61	507.92
Interest on Lease Liabilities	2.17	-
Interest on taxes	2.81	9.75
Total	168.59	517.67

30 Fees and commission expense

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Commission	0.79	0.96
Total	0.79	0.96

31 Impairment on financial instruments

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Loans	21.27	141.63
Bad Debts	12.40	148.59
Total	33.67	290.22

The table below shows the ECL charges on financial instruments for the year recorded in the profit and loss based on evaluation stage:

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020			
	Stage 1	Stage 2	Stage 3	Total
Debt instruments measured at Amorised Cost (Loans)	(79.82)	125.40	(24.31)	21.27
Total impairment loss	(79.82)	125.40	(24.31)	21.27

(Rs in Lakhs)

Particulars	For the year ended March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total
Debt instruments measured at Amorised Cost (Loans)	(1.43)	25.97	117.09	141.63
Total impairment loss	(1.43)	25.97	117.09	141.63

32 **Employee Benefits Expenses**

(Rs in Lakhs)

Salaries and wages	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	576.85	453.84
Gratuity Expenses (Refer Note 41)	5.60	4.96
Contribution to provident and other funds	25.59	13.86
Share Based Payments to employees	84.03	37.86
Staff welfare expenses	9.77	5.92
Total	**701.84**	**516.44**

33 **Depreciation, amortization and impairment**

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment (Refer Note 13)	13.37	12.57
Depreciation of Investment Properties (Refer Note 12)	-	0.92
Amortization of intangible assets (Refer Note 14)	35.28	3.11
Total	**48.65**	**16.60**

34 **Others expenses**

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Legal and Professional Fee	147.71	107.85
Power and Fuel	6.65	4.91
Rent , Rates and Taxes	68.54	97.74
Director's Sitting Fee	40.05	35.65
Brokerage and Service Charge	2.68	0.43
Repairs	4.36	0.86
Travelling and Conveyance	26.78	19.90
Insurance	13.29	7.27
Loss on Foreign Currency Transactions	-	0.02
Printing and Stationery	4.13	3.38
GST Expenses	32.10	24.28
Auditor fees and expenses (Refer Note 34.1)	10.60	6.15
Annual Maintenance Charges	15.26	16.44
Other expenditure	45.77	19.84
Total	**417.92**	**344.72**

34.1 **Auditor fees and expenses**

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Statutory audit	5.50	3.00
Limited Review	3.50	2.00
Taxation matters	1.00	0.50
In other capacity	0.60	0.50
Reimbursement of expenses	-	0.15
Total	**10.60**	**6.15**

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35 Income tax expense

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
Current tax on profits for the period	172.52	121.98
Adjustments for current tax of prior periods	(7.32)	-
Mat credit entitlement (Refer Note11)	-	(15.35)
Total Current Tax	**165.20**	**106.63**
Deferred tax expense (income)		
Decrease in deferred tax assets (Refer Note11)	(17.03)	(77.35)
Total deferred tax expense/(benefit)	**(17.03)**	**(77.35)**
Total tax expense	**148.17**	**29.28**

35.1 Reconciliation of effective tax rate:

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit/(Loss) before income tax expense	558.06	242.71
Enacted income tax rate in India applicable to the Company 27.82% (2018-2019 – 27.82%)	155.25	67.52
Tax effect of:		
Permanent Disallowances	-	(11.12)
Deferred tax assets not created on OCI	(0.46)	0.97
Long term capital gain on sale of property	(1.30)	-
Difference in tax rates for short term capital gains	(0.81)	(28.49)
Others	2.80	0.39
Tax in respect of earlier period	(7.32)	-
Total tax expense	**148.17**	**29.28**
Effective tax rate	26.55	12.06

35.2 Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity.

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

36 Earnings per share

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit attributable to the equity holders of the Company (A) (INR in Crores)	409.89	213.42
Weighted Average number of shares issued for Basic EPS (B)	1,35,01,208	1,20,64,115
Adjustment for calculation of Diluted EPS on account of ESOP (C)	8,41,431	4,80,966
Weighted Average number of shares issued for Diluted EPS (D= B+C)	1,43,42,639	1,25,45,081
Basic EPS in Rs.	3.04	1.77
Diluted EPS in Rs.	2.86	1.70

During the previous year, the Company has alloted 7,76,200 Warrants of face value of Rs.10/- each at a price of Rs.64.50 per Warrant (including Rs.54.50 towards share premium), to M/s. Wilson Holdings Private Limited, against receipt of 25% of the Warrant subscription amount. The remaining 75% of the Warrant subscription amount can be paid within a period of eighteen (18) months from the date of allotment of Warrants. Those warrants are not counted in Weighted average number of Equity Shares used for calculation of diluted Earning per Share, as they are anti-dilutive.

37 Contingent liabilities & commitments

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Claims against the Company not acknowledged as debts			
Income Tax matters under dispute	66.99	65.99	-
Commitments			
a) Capital commitments	18.97	65.95	27.30
(Estimated amount of contracts remaining to be executed on capital account and not provided for)			
Total Commitments	18.97	65.95	27.30

38 The Reserve Bank of India has issued Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and various other circulars, where-in criteria of principal business was defined in terms of asset-income criteria to be as an NBFC. During the year, the Company has financial assets which is more than 50% of its total assets and income from financial asset is lower than 50%. There reason for interest income being less than required threshold is mainly due to the lack of credit availability in the NBFC space since the NBFC Credit crisis in September 2018 due to which the Company developed streams of income from sell down and syndication which contributed to fee income. While non-interest income increased significantly in this time frame, the Company also emphasised on reducing the ticket size of loans and increasing borrowing count significantly which is evident in the number of borrowers that has almost doubled from 223 in March 2019 to 403 in March 2020. With sanctioning of debt lines from Jan 2020 coupled with the recent infusion of equity capital from the promoter group in April 2020, the Company is confident of achieving much higher income from the Financial Assets going forward.

39 **Derivatives**

The Company has no transactions / exposure in derivatives in the current and previous year. The Company has no unhedged foreign currency exposure as on March 31, 2020 (March 31, 2019: Nil| April 01, 2018 : Nil).

40 **Uncertainties relating to the Global Health Pandemic from COVID-19 ("Covid-19")**

COVID-19 which has been declared a global pandemic continues to spread across the globe and has led to an unprecedented level of disruption on socio-economic activities. The Government of India had announced a series of lock-down from March 24, 2020 which was extended until early June 2020. Because of economic disruption, RBI released guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020, and May 23 2020. In accordance with those guidelines, the Company is granting a moratorium to borrowers on the payment of all instalments and / or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers based on the requests. Accordingly, for all such accounts where moratorium has been granted, the number of days past-due shall exclude the moratorium period for the purposes of asset classification under the Income Recognition, Asset Classification and Provisioning norms as well as for staging of those accounts for impairment loss allowance under Ind AS.

The recent directions from the Government allows for gradual withdrawal of lockdown and partial resumption of economic activity. However, major economic centres are still continuing to be under partial lockdown. There is a high level of uncertainty about the duration of the time required for life and business to get normal. The extent to which COVID-19 pandemic will impact the Company's operations and financial results is dependent on the future developments, which are highly uncertain, including among many the other things, any new information concerning the severity of the pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company.

In preparing the accompanying financial statements, the Company's management has been required to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, equity, income and expenses. These estimates and associated assumptions, especially for impairment loss allowance under Ind AS 109 of the Company's loans, are based on historical experience and various other factors including the possible effects that may result from the pandemic. These estimates and associated assumptions are believed to be reasonable under the current circumstances. In the event the impacts are more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of the loans, the financial position and performance of the Company.

41 Employee benefits

(a) **Long term employee benefit obligations**

The compensated absences charge for the year ended March 31, 2020 of Rs 12.77 lakhs (March 31, 2019 Rs 5.24 lakhs) has been charged in the Statement of Profit and Loss.

The liability for compensated absences based on actuarial valuation amounting as at the year ended March 31, 2020 is 17.58 lakhs (March 31, 2019 : Rs. 7.37 lakhs ; April 01, 2018: Rs 2.89 lakhs)

(b) **Post Employment Obligations**

I. **Defined contribution plans**

The Company has classified the various benefits provided to employees as under:

a. Provident Fund

b. Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner . Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income Tax authorities.

The expense recognised during the period towards defined contribution plan -

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Contribution to Provident Fund	18.85	9.02
Contribution to Employees' Pension Scheme 1995	6.75	4.64

II. **Defined benefit plans**

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs 20 lakhs. The gratuity plan is a funded plan.

The Company has a defined benefit plan in India (Funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The Fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year , there are no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by Rule 103 of Income Tax Rules, 1962

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(Rs in Lakhs)

Sr No	Defined benefit plans	For the year ended March 31, 2020	For the year ended March 31, 2019
		Gratuity (funded)	Gratuity (Unfunded)
I	**Expenses recognised in statement of profit and loss during the year:**		
	Current service cost	5.20	4.64
	Past service cost	-	-
	Expected return on plan assets	-	-
	Net interest cost / (income) on the net defined benefit liability / (asset)	0.39	0.32
	Total expenses	5.59	4.96
II	**Expenses recognised in other comprehensive income**		
	Actuarial (gains) / losses due to demographic assumption changes in defined benefit obligations	-	(2.55)

	Actuarial (gains) / losses due to financial assumption changes in defined benefit obligations	1.09	0.35
	Actuarial (gains)/ losses due to experience on defined benefit obligations	0.64	(1.25)
	Return on plan assets excluding Interest income	(0.08)	
	Total expenses	**1.66**	**(3.48)**
III	**Net asset /(liability) recognised as at balance sheet date:**		
	Present value of defined benefit obligation	(12.92)	(5.60)
	Fair value of plan assets	5.67	-
	Funded status [surplus / (deficit)]	**(7.25)**	**(5.60)**
IV	**Movements in present value of defined benefit obligation**		
	Present value of defined benefit obligation at the beginning of the year	5.60	4.11
	Current service cost	5.20	4.65
	Past service cost	-	-
	Interest cost	0.39	0.32
	Actuarial (gains) / loss	1.73	(3.48)
	Benefits paid		
	Present value of defined benefit obligation at the end of the year	**12.92**	**5.60**
V	**Movements in fair value of the plan assets**		
	Opening fair value of plan assets	-	-
	Expected returns on plan assets		
	Expected returns on plan assets excluding Interest income	0.07	-
	Actuarial (gains) / loss on plan assets		
	Contribution from employer	5.60	-
	Benefits paid		
	Closing fair value of the plan asset	**5.67**	-
VI	**Maturity profile of defined benefit obligation**		
a	**Funding arrangements and funding policy**		
	The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company		
b	The average outstanding term of the obligations (years) as at valuation date is 4 years		
	Expected cash flows over the next (valued on undiscounted basis)		
	1st Following Year	0.03	-
	2nd Following Year	0.02	-
	3rd Following Year	0.89	-
	4th Following Year	1.89	-
	5th Following Year	1.96	-
	Sum of Years 6 To 10	7.32	-
	Sum of Years 11 and above	9.10	-

VII	**Quantitative sensitivity analysis for significant assumptions is as below:**		
1	Increase / (decrease) on present value of defined benefit obligation at the end of the year	12.92	5.60
	(i) +1% increase in discount rate	(0.92)	(0.42)
	(ii) -1% decrease in discount rate	1.04	0.47
	(iii) +1% increase in rate of salary increase	0.96	0.45
	(iv) -1% decrease in rate of salary increase	(0.88)	(0.41)
	(v) +1% increase in rate of Emplyoee Turnover	(0.56)	(0.28)
	(vi) -1% decrease in rate of Emplyoee Turnover	0.60	0.30
2	**Sensitivity analysis method**		
	The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.		
	The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.		
	Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.		

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years

VIII Risks associated with defined benefit plan

Gratuity is a defined benefit plan and Company is exposed to the following risks

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the Insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance Companies have to follow regulatory guidelines.

X Composition of plan assets

Qualifying policy with Tata AIA Life Insurance Company Limited	100%	NA

XI Asset liability matching strategies

The Company contributes to the insurance policy based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.

XII	Actuarial assumptions:	As at March 31, 2020	As at March 31, 2019
1	Expected Return on Plan Assets	5.76%	NA
2	Discount rate	5.76%	6.96%
3	Expected rate of salary increase	10.00%	10.00%
4	Rate of Employee Turnover	18.00%	18.00%
5	Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
6	Mortality	NA	NA

Notes:

a) The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The Company expects to make a contribution of Rs.17.41 lakhs to the defined benefit plans (gratuity - funded) during the next financial year.

e) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 9 years.

42 **Segment Reporting**

The Company has primarily two reportable business segments, namely Fund based Activities and Advisory services for the quarter and period ended March 31, 2020. In accordance with Ind AS 108 – Operating Segments, the Company has disclosed the segment information in the consolidated financial statements of the Company.

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Dharmarana Capital Limited
Notes to Standalone Financial Statements for the year ended March 31, 2020

43 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

(Rs in Lakhs)

Assets	As at March 31, 2020			As at March 31, 2019			As at April 1, 2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Assets									
Cash and cash equivalents	782.[illegible]	-	782.[illegible]	282.04	-	282.04	250.22	-	250.22
Bank Balance other than cash and cash equivalents	177.54	-	177.54	17.55	-	17.55		-	
Receivables									
(i) Trade Receivables	117.64	-	117.64	8.60	-	8.60	30.20		30.20
(ii) Other Receivables									
Loans*	567.51	2,772.46	3,340.57	1,505.30	2,611.17	4,116.47	826.30	3,754.62	4,580.92
Investments	128.41	5.06	133.47	-			267.81		267.81
Other Financial Assets	324.51	5.37	329.88	6.21	1.53	7.74	6.68	[illegible]	[illegible]
Non Financial Assets									
Current Tax Assets (Net)	-	47.67	47.67	-	37.71	37.71	-		
Deferred Tax Assets (Net)	-	196.24	196.24	-	222.39	222.39	-	111.36	111.36
Investment Property		-	-				-	26.25	26.25
Property, Plant and Equipment	-	160.37	160.37	-	25.60	25.60	-	4.91	4.91
Capital work-in-progress		29.64	29.64	-					
Intangible assets under development		17.30	17.30	-	38.37	38.37	-	31.05	31.05
Other Intangible assets		142.77	142.77		68.37	68.37		7.63	7.63
Other non-financial assets	89.[illegible]	2.55	91.[illegible]	76.41		76.41	7.65		7.65
Non current assets and disposal group held for sale		-	-	95.32		95.32	-		
Total Assets	1,254.61	3,[illegible]	4,445.[illegible]	1,473.28	3,804.90	5,278.18	1,189.83	4,[illegible]	5,[illegible]

* The maturity profile disclosed above does not factor in the effect of changes due to postponement of cash flows on account of loans under moratorium period as permitted under RBI's COVID-19 Regulatory Package notified on 27 March, 2020 and May 23, 2020

(Rs in Lakhs)

Liabilities	As at March 31, 2020			As at March 31, 2019			As at April 1, 2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Liabilities									
Payables									
(I) Trade payables	34.77	-	34.77	13.17	-	13.17	24.71	-	24.71
(II) Other payables	-	-	-	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	1,126.20	434.55	1,560.75	2,641.52	-	2,641.52	4,015.04	-	4,015.04
Other financial liabilities	38.26	-	38.26	46.79	-	46.79	32.00	-	32.00
Non-Financial Liabilities									
Current tax liabilities (Net)	70.29	-	70.29	-	-		77.06	-	77.06
Provisions	15.15	13.13	28.28	2.98	10.09	13.07	7.40	3.60	11.00
Other non-financial liabilities	40.75	-	40.75	67.41	-	67.41	18.22	-	18.22
Total Liabilities	1,325.[illegible]	447.68	1,772.[illegible]	2,771.87	10.09	2,781.96	4,174.43	3.60	4,178.03
Net	(71.[illegible])	2,7[illegible]	2,6[illegible]	(1,298.59)	3,794.81	2,496.22	(2,984.60)	4,[illegible]	1,[illegible]

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44 Capital Management

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2020, March 31, 2019 and as at April 1, 2018 The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio is as follows.

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Debt	1,560.75	2,541.32	4,015.04
Less: cash and cash equivalents	(169.52)	(362.04)	(250.58)
Less: Bank balances other than cash and cash equivalents	(177.94)	(17.55)	-
Adjusted net debt	1,213.29	2,161.73	3,764.46
Total Equity	3,118.12	2,654.74	1,247.93
Adjusted net debt to adjusted equity ratio	0.39	0.81	3.02

45 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

Dhanvarsha Finvest Limited
Notes to standalone financial statements for the year ended March 31, 2020

46 Change in liabilities arising from financing activities

(Rs in Lakhs)

Particulars	April 1,2019	Cash Flows	Changes in fair values	Exchange difference	Other	March 31,2020
Debt securities Borrowings other than debt securities Deposits	2,541.32	(1,696.10)	-	-	115.53	1,960.75
Total liabilities from financing activities	**2,541.32**	**(1,696.10)**	**-**	**-**	**115.53**	**1,960.75**

(Rs in Lakhs)

Particulars	April 1,2018	Cash Flows	Changes in fair values	Exchange difference	Other	March 31,2019
Debt securities Borrowings other than debt securities Deposits	4,015.04	(1,473.72)	-	-	-	2,541.32
Total liabilities from financing activities	**4,015.04**	**(1,473.72)**	**-**	**-**	**-**	**2,541.32**

Other column includes creation of finance lease liabilities

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2020

47 Related Party Disclosures

A. Names of related parties and nature of relationship:

Description of relationship	Name of the related party
Parent Company	M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)
Subsidiary	M/s. DFL Technologies Private Limited (from October 07, 2019) (Wholly owned Subsidiary of Dhanvarsha Finvest Limited)
Fellow Subsidiary	Wilson Financial Services Private Limited (from July 31, 2018) (Wholly owned Subsidiary of Wilson Holdings Private Limited)
Key Management Personnel (KMP)	Mrs. Arunaben Ginishkumar Shah, Independent Director (upto August 24, 2018)
	Mr. Dharmil Shah, Independent Director (upto August 24, 2018)
	Mr. Malay Rohitkumar Bhow, Whole-time Director (upto August 10, 2018)
	Mr. Karan Neale Desai, Joint Managing Director
	Mr. Ashish Sharad Dalal, Non-Executive Director
	Mr. Nirmal Vinod Momaya, Independent Director
	Mr. K. P. Raghuvanshi, Independent Director
	Mrs. Manjari Kacker, Independent Director
	Mr. Rakesh Sethi, Chairman and Independent Director (w.e.f. October 15, 2019)
	Mr. Rajiv Kapoor, Independent Director (w.e.f. February 05, 2020)
	Mr. Surinder K Behera, Independent Director (upto December 17, 2019)
	Mr. Rohanjeet Singh Juneja, Joint Managing Director (w.e.f. December 17, 2019)
	Mr. Narendra Kumar Tater, Chief Financial Officer
	Mr. M Vijay Mohan Reddy, Company Secretary
	Mr. Dhairya Kumar Thakkar, Company Secretary (upto August 10, 2018)
	Mr. Nimir Kishore Mehta, Non-Executive Chairman (upto December 15, 2019)
Other Related Parties	Mr. Nimir Kishore Mehta (Promoter of Wilson Holdings Private Limited)
	Prolific Ventures Pvt Ltd (Relative of Promoter Having Significant Influence)

B. Details of related party transactions (Rs in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2020	For the year ended March 31, 2019
Key Management Personnel (KMP)			
Mr. Karan Neale Desai	Remuneration to key management personnel*	67.27	47.50
	Reimbursement of expenses	8.18	4.25
Mr. Narendra Kumar Tater	Remuneration to key management personnel*	36.40	39.24
	Reimbursement of expenses	4.72	1.84
Mr. Vijay Mohan Reddy	Remuneration to key management personnel*	24.28	26.29
	Reimbursement of expenses	5.03	2.16
Mr. Dhairya Kumar Thakkar	Remuneration to key management personnel*	-	1.04
Mr. Rohanjeet Singh Juneja	Remuneration to key management personnel*	17.88	-
	Reimbursement of expenses	1.55	-
Mr. Ashish Sharad Dalal	Sitting Fees and Commission	7.00	7.63
Mr. Nirmal Vinod Momaya	Sitting Fees and Commission	7.00	6.63
Mr. K. P. Raghuvanshi	Sitting Fees and Commission	8.25	8.13
Mrs. Manjari Kacker	Sitting Fees and Commission	9.25	6.13
Mr. Dharmil Shah	Sitting Fees and Commission	(1.35)	1.50
Ms. Arunaben Ginishkumar Shah	Sitting Fees and Commission	(1.35)	1.50
Mr. Surender K Behera	Sitting Fees and Commission	3.00	-
Mr. Rakesh Sethi	Sitting Fees and Commission	4.25	-
Mr. Rajiv Kapoor	Sitting Fees and Commission	1.00	-
Mr. Nimir Kishore Mehta	Sitting Fees and Commission	1.00	2.13
Other Related Parties			
Mr. Nimir Kishore Mehta	Rent paid	60.00	60.00
	Reimbursement of expenses	0.72	0.72
Prolific Ventures Pvt Ltd	Rent paid	4.60	-
	Security Deposit	6.90	-
Parent Company			
M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)	Interest expense	156.80	507.93
	Issuance of share warrants	-	125.00
	Loans given	-	1,610.00
	Loans Repaid	1,420.00	2,365.00
Fellow Subsidiary			
Wilson Financial Services Private Limited (from July 31, 2018) (Wholly owned Subsidiary of Wilson Holdings Private Limited)	Rent income	1.20	7.30
	Sale of fixed Assets	-	1.21
	Reimbursement of expenses	-	0.26
Subsidiary			
M/s. DFL Technologies Private Limited	Rent income	0.57	-
	Investments	5.00	-

C. **Details of balances outstanding for related party transactions:** (Rs in Lakhs)

Name of the related party	Nature of Transaction	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Parent Company				
M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)	Short Term borrowing	1,020.00	2,450.00	-
Subsidiary				
M/s. DFL Technologies Private Limited	Rent income	0.12	-	-
Key Management Personnel (KMP)				
Mr. Ashish Sharad Dalal	Sitting Fees and Commission	-	0.63	-
Mr. Nirmal Vinod Momaya	Sitting Fees and Commission	-	0.63	-
Mr. K. P. Raghuvanshi	Sitting Fees and Commission	-	0.63	-
Mrs. Manjari Kacker	Sitting Fees and Commission	-	0.63	-
Mr. Karan Neale Desai	Reimbursement of expenses	1.16	-	-
Mr. Rohanjeet Singh Juneja	Reimbursement of expenses	0.46	-	-
	Sitting Fees and Commission	-	0.63	-
Mr. Ajay Kishore Mehta	Reimbursement of expenses	-	0.06	-

*As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above

D. **Key management personnel compensation:** (Rs in Lakhs)

Nature of Transaction	For the year ended March 31, 2020	For the year ended March 31, 2019
Short term Employee Benefits *	-	-
Share Based Payment	76.99	21.51
Total	76.99	21.51

* As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to key managerial personnel and relative of key managerial personnel are not included above.

E. The options granted and outstanding for the key managerial personnel as of March 31, 2020 and March 31, 2019 is as provided below:

Name of the KMP	Grant Date	Expiry date	Exercise Price	Shares outstanding	
				Mar-20	Mar-19
Mr. Karan Neale Desai	05/11/2018	04/11/2025	30.00	3,63,389	3,63,489
Mr. Narendra Kumar Tater	05/11/2018	04/11/2025	30.00	1,93,861	1,93,861
Mr. Vijay Mohan Reddy	05/11/2018	04/11/2025	30.00	68,799	77,566
Mr. Karan Neale Desai	17/12/2019	16/12/2026	50.00	2,36,511	-
Mr. Rohanjeet Singh Juneja	17/12/2019	16/12/2026	50.00	6,00,000	-
Total				14,63,660	6,34,916

F. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

45 Fair Value Measurement

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs in Lakhs)

Financial Assets and Liabilities as at March 31, 2020	Carrying Amount: Fair value through profit and loss account	Carrying Amount: Fair value through other comprehensive income	Carrying Amount: Amortised Cost	Carrying Amount: Total	Fair Value: Level 1	Fair Value: Level 2	Fair Value: Level 3	Fair Value: Total
Financial Assets								-
Cash and cash equivalents	-	-	169.52	169.52	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	177.94	177.94	-	-	-	-
Receivables								
Trade Receivables	-	-	117.64	117.64	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-
Loans	-	-	3,285.52	3,285.52	-	-	-	-
Investments	128.41	-	-	128.41	128.41	-	-	128.41
Other Financials Assets	-	-	339.69	339.69	-	-	-	-
	128.41	-	4,090.31	4,218.72	128.41	-	-	128.41
Financial Liabilities								
Payables								-
Trade payables	-	-	34.77	34.77	-	-	-	-
Other payables	-	-	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	1,560.75	1,560.75	-	-	-	-
Other financial liabilities	-	-	36.26	36.26	-	-	-	-
	-	-	1,631.78	1,631.78	-	-	-	-

(Rs in Lakhs)

Financial Assets and Liabilities as at March 31, 2019	Carrying Amount: Fair value through profit and loss account	Carrying Amount: Fair value through other comprehensive income	Carrying Amount: Amortised Cost	Carrying Amount: Total	Fair Value: Level 1	Fair Value: Level 2	Fair Value: Level 3	Fair Value: Total
Financial Assets								-
Cash and cash equivalents	-	-	362.04	362.04	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	17.55	17.55	-	-	-	-
Receivables	-	-		-	-	-	-	-
Trade Receivables	-	-	0.65	0.65	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-
Loans	-	-	4,516.47	4,516.47	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Other Financials Assets	-	-	1.54	1.54	-	-	-	-
	-	-	4,898.25	4,898.25	-	-	-	-
Financial Liabilities								
Payables								-
Trade payables	-	-	23.37	23.37	-	-	-	-
Other payables	-	-	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	2,541.32	2,541.32	-	-	-	-
Other financial liabilities	-	-	48.19	48.19	-	-	-	-
	-	-	2,612.88	2,612.88	-	-	-	-

(Rs in Lakhs)

Financial Assets and Liabilities as at April 1, 2018	Carrying Amount: Fair value through profit and loss account	Carrying Amount: Fair value through other comprehensive income	Carrying Amount: Amortised Cost	Carrying Amount: Total	Fair Value: Level 1	Fair Value: Level 2	Fair Value: Level 3	Fair Value: Total
Financial Assets								
Cash and cash equivalents	-	-	250.58	250.58	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	-	-			-	-
Receivables				-			-	-
Trade Receivables	-	-	38.39	38.39	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-
Loans	-	-	4,630.02	4,630.02	-	-	-	-
Investments	257.91	-	-	257.91	257.91	-	-	257.91
Other Financials Assets			0.08	0.08	-	-	-	-
	257.91	-	4,919.07	5,176.98	257.91	-	-	257.91
Financial Liabilities								
Payables								
Trade payables	-	-	24.71	24.71	-	-	-	-
Other payables	-	-	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	4,015.04	4,015.04	-	-	-	-
Other financial liabilities	-	-	32.96	32.96	-	-	-	-
	-	-	4,072.71	4,072.71	-	-	-	-

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a. The carrying amounts of trade receivables, trade payables, other receivables, cash and cash equivalent including other bank balances, other financials assets and other financial liabilities, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b. Financial instruments with fixed interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances if required, are taken to account for expected losses of these instruments. Thus, Amortised cost shown in A. above, is after adjusting ECL amount.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

49 Financial Risk Management

The Company has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Company. Together they help in achieving the business goals and objectives consistent with the Company's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Company's financial risk management is an integral part of how to plan and execute its business strategies.

The Company has exposure to the following risks arising from financial instruments:
- Credit risk
- Liquidity risk and
- Market risk

(A) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of busines.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(Rs. in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Outstanding for a period not exceeding six months	117.84	0.65	38.39
Outstanding for a period exceeding six months	-	-	-
Gross Trade Receivables	117.84	0.65	38.39
Less: Impairment Loss	-	-	-
Net Trade Receivables	117.84	0.65	38.39

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and the Company's historical experience for customers. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

ii) Loans and financial assets measured at amortized cost

The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due -

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
0-30 Days Past Due			
Secured	2,222.04	3,466.95	4,423.79
Unsecured	773.82	1,095.00	444.36
30-90 Days Past due			
Secured	465.04	77.32	-
Unsecured	35.94	-	-
More than 90 Days Past Due			
Secured	201.88	-	-
Unsecured	25.09	294.22	37.26
Total	3,722.81	4,933.49	4,905.41

The Company reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the Company is into small ticket loan business, there is no significant credit risk of any individual customer that may impact Company adversely, and hence the Company has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorises loan assets into stages primarily based on the Months Past Due status.

Stage 1 : 0-30 days past due
Stage 2 : 31-90 days past due
Stage 3 : More than 90 days past due

(i) RBI COVID-19 regulatory package

In accordance with the Reserve Bank of India (RBI) notification no. RBI/2019-20/186 DOR.No.BP. BC.47/21.04.048/2019-20 dated 27th March, 2020 and RBI/2019-20/220 DOR.No.BP. BC.63/21.04.048/2020-21 dated April 17, 2020 relating to 'COVID-19 - Regulatory Package', the Company, as per its board approved policy and ICAI advisories, has granted moratorium upto three months on the payment of installments falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers. And in respect of accounts overdue but standard (i.e, stage 1 and stage 2) at 29 February 2020 where moratorium benefit has been granted, for the purpose of staging of those accounts and for determination of impairment loss allowance as at 31 March 2020, the days past due status as on 29 February 2020 has been considered.

(ii) Definition of default

The Company considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

(iii) Exposure at default

"Exposure at Default" (EAD) represents the gross carrying amount of the assets subject to impairment calculation.

(iv) Estimations and assumptions considered in the ECL mode

An impairment analysis is performed at each reporting date. Impairment loss has been calculated based on EAD* Probability of Default (PDs)* Loss given Default (LGDs).

Internal rating model incorporates both qualitative and quantitative information and, in addition to information specific to the borrower, utilise supplemental external information that could affect the borrower's behaviour.

Probability of Default (PDs): As there is no established past trend available with the Company for its own portfolio for calculation of probability of default, the Company has computed PD's from risk assessment of borrowers and default history. PDs are then adjusted for Ind AS 109 ECL calculations to incorporate forward looking information and the Ind AS 109 Stage classification of the exposure. For the purpose of Stage 3, PDs are taken as 100%.

Loss given Default (LGDs): For the purpose of LGD calculation, the Company does not have its own default and recovery history. Hence, In case of Secured loan portfolio, LGD has been considered based on Minimum LGD prescribed on real estate property security in RBI Circular RBI/2011-12/311 DBOD.No.BP.BC.67/21.06.202/2011-12 dated December 22, 2011 . Currently all loan portfolio are secured by property has been taken as 50% for the same.

In case of unsecured investments, LGD is considered at 75%, since there is no past history of recovery available and forward looking information of no circumstances of recovery in future based on current position of such investee Companies.

(v) Policy for write off of Loan assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets under "Other Income " in Statement of profit and loss.

An analysis of changes in the gross carrying amount and the corresponding ECLs as follows :

Gross exposure reconciliation

(Rs. In lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1, 2018	4,868.15	-	37.26	4,905.41
New loans originated during the year	1,894.91	-	-	1,894.91
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(75.50)	75.50	-	-
Transfers to Stage 3	(280.69)	-	280.69	-
Write-offs	(103.17)	-	(35.91)	(139.08)
Net remeasurement of exposure	(1,741.56)	1.82	11.98	(1,727.76)
Gross carrying amount balance as at March 31, 2019	4,561.55	77.32	294.22	4,933.48
New loans originated during the year	874.33	-	-	874.33
Transfers to Stage 1	40.11	(40.11)	-	-
Transfers to Stage 2	(451.92)	506.08	(54.16)	-
Transfers to Stage 3	(86.77)	(34.24)	121.01	-
Write-offs	(2.81)	-	(9.58)	(12.40)
Net remeasurement of exposure	(1,909.04)	(8.09)	(174.50)	(2,071.63)
Gross carrying amount balance as at March 31, 2020	2,995.86	508.98	226.57	3,725.81

Reconciliation of ECL balance

(Rs. In lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL Allowance- Opening Balance as at April 1, 2018	247.45	-	27.95	275.38
New loans originated during the year	110.42	-	-	110.42
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(3.61)	3.61	-	-
Transfers to Stage 3	(13.41)	-	13.41	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(94.83)	22.35	103.68	31.21
ECL Allowance- Closing Balances as on March 31, 2019	246.02	25.96	145.04	417.02
New loans originated during the year	60.28	-	-	60.28
Transfers to Stage 1	14.02	(14.02)	-	-
Transfers to Stage 2	(22.74)	49.82	(27.08)	-
Transfers to Stage 3	(4.86)	(11.95)	16.80	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(126.53)	101.55	(14.04)	(39.01)
ECL Allowance- Closing Balances as on March 31, 2020	166.20	151.35	120.73	438.28

III. Cash and bank balances

The Company held cash and cash equivalent and other bank balance of Rs. 347.46 lakhs at March 31, 2020 (March 31, 2019: Rs. 379.59 lakhs; April 1, 2018: Rs 250.59 lakhs). The same are held with bank and financial institution counterparties with good credit rating. Also, Company invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the Company to credit risk.

iv. Others

Apart from trade receivables loans, cash and bank balances and investment measured at amortised cost , the Company has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(I) Maturities of financial liabilities

The following are the remaining contractual maturities of financial assets and liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

(Rs. In lakhs)

Contractual maturities of financial assets March 31, 2020	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	159.52	-	-	159.52
Bank balances other than cash and cash equivalents	177.94	-	-	177.94
Receivables				
Trade Receivables	117.04	-	-	117.04
Other Receivables	-	-	-	-
Loans	616.91	901.88	2,210.17	3,728.96
Investments	128.41	-	5.00	133.41
Other Financials Assets	334.52	8.45	0.19	343.16
Total	1,544.95	910.33	2,215.36	4,670.64
Contractual maturities of financial liabilities March 31, 2020	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	34.77	-	-	34.77
Other payables	-	-	-	-
Borrowings (Other than Debt Securities)	1,185.55	271.18	285.18	1,741.91
Other financial liabilities	36.26	-	-	36.26
Total	1,256.58	271.18	285.18	1,812.94

(Rs. In lakhs)

Contractual maturities of financial assets March 31, 2019	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	362.04	-	-	362.04
Bank balances other than cash and cash equivalents	17.55	-	-	17.55
Receivables				
Trade Receivables	0.60	-	-	0.60
Other Receivables	-	-	-	-
Loans	1,091.16	1,428.52	2,424.45	4,944.13
Investments		-	-	-
Other Financials Assets	0.01	1.50	0.03	1.54
Total	1,471.40	1,430.02	2,424.48	5,325.91
Contractual maturities of financial liabilities March 31, 2019	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	23.37	-	-	23.37
Other payables	-	-	-	-
Borrowings (Other than Debt Securities)	2,541.32	-	-	2,541.32
Other financial liabilities	48.19	-	-	48.19
Total	2,612.88	-	-	2,612.88

(Rs. In lakhs)

Contractual maturities of financial assets April 1, 2018	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	250.58	-	-	250.58
Bank balances other than cash and cash equivalents		-	-	-
Receivables				
Trade Receivables	38.39	-	-	38.39
Other Receivables		-	-	-
Loans	900.00	2,209.08	1,812.14	4,921.22
Investments	257.91	-	-	257.91
Other Financials Assets	0.05	-	0.03	0.08
Total	1,446.94	2,209.08	1,812.17	5,468.19
Contractual maturities of financial liabilities April 1, 2018	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	24.71	-	-	24.71
Other payables	-	-	-	-
Borrowings (Other than Debt Securities)	4,015.04	-	-	4,015.04
Other financial liabilities	32.96	-	-	32.96
Total	4,072.71	-	-	4,072.71

(C) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return The Company's exposure to, and management of, these risks is explained below

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company caters mainly to the Indian Market . Most of the transactions are denominated in the Company's functional currency i.e. Rupees. Hence the Company is not materially exposed to Foreign Currency Risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at floating interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting year are as follows:

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Fixed rate borrowings	1,149.97	2,541.32	4,015.04
Floating rate borrowings	390.79	-	-

Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

The interest rate profile of the Company's interest bearing financial instruments is as follows:

Particulars	For the year ended March 31, 2020	
	100bp Increase	100bp decrease
Financial Liability		
Variable rate Instrument		
Floating Rate Borrowings	3.91	(3.91)

(iii) Price Risk

The Company's exposure to mutual fund is exposed to price risk and classified in the balance sheet at fair value through profit or loss. 100 bps increase in Net Assets Value (NAV) would increase profit before tax by approximately Rs. 1.28 lakhs (March 31, 2019: NIL). A similar percentage decrease would have resulted equivalent opposite impact.

50 Disclosure in notes to Financial statements as required under paragraph 2 (a) of RBI Notification No RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

For the year ended March 31, 2020 (Rs in Lakhs)

Asset Classification as per RBI	Asset classification as per Ind AS 109	Gross Carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind As 109	Net Carrying Amount	Provisions required as per IRACP norms *	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5	6	7
Performing Assets						
Standard	Stage 1	2,995.86	162.74	2,833.12	22.61	140.13
	Stage 2	476.63	143.78	332.85	1.81	141.97
	Stage 3	62.47	35.82	26.65	0.28	35.54
Subtotal						
		3,534.95	**342.34**	**3,192.61**	**24.70**	**317.64**
Non-Performing Assets						
Substandard	Stage 2	24.35	7.58	16.77	2.32	5.26
	Stage 3	164.50	84.91	79.61	16.02	68.89
Subtotal		**188.86**	**92.48**	**96.37**	**18.34**	**74.14**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind as 109 but not covered under current income recognition, asset classification and provisioning (IRACP) norms	Stage 1	48.25	3.46	44.79	-	3.46
Subtotal						
Total	**Stage 1**	3,044.11	166.20	2,877.91	22.61	143.59
	Stage 2	500.98	151.36	349.62	4.13	147.23
	Stage 3	226.97	120.73	106.26	16.30	104.43
	Total	**3,772.06**	**438.29**	**3,333.79**	**43.05**	**395.25**

* In the case of provision on standard advances in previous years, the Company had adopted a more stringent policy of maintaining provision on specified unsecured standard loans and advances, at rates that are higher than those prescribed by RBI (2.25% as against 0.25% prescribed by RBI). Hence computation of provision as per IRACP norms has been computed under earlier policy of the Company.

51 Asset Classification and Provisioning Disclosure

Disclosure as per the circular no DOR.NO.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 issued by Reserve Bank of India on "COVID -19 regulatory package - Asset Classification and provisioning"

For the year ended March 31, 2020

1) Amounts in SMA/overdue categories where moratorium/deferment was extended in terms of paragraph 2 and 3 of the above circular

(Rs in Lakhs)

SMA Category	Amount
SMA-0	525.46
SMA-1	4.81
SMA-2	19.07
Total	**549.34**

2) Respective amount where asset classification benefit is extended : Rs. Nil

3) Provisions made during quarter ended March 31, 2020 in terms of paragraph 5 of the above circular
The provision made by the Company as per the ECL model is more than the provision required as per IRAC norms as per the above circular.

52 Disclosure related to Leases

(A) Additions to Right to Use

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Lease hold Property	115.53	-	-

(B) Carrying value of right of use assets at the end of the reporting year

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Balance at the beginning of the year	-	-	-
Additions	115.53	-	-
Depreciation charge for the year	2.43	-	-
Balance at the end of the year	**113.10**	-	-

(C) Maturity analysis of lease liabilities

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Less than one year	20.70	-	-
One to five years	110.40	-	-
More than five years	23.00	-	-
Total undiscounted lease liabilities at reporting period	**154.10**	-	-
Lease liabilities included in the statement of financial position at the year ended	**113.10**	-	-

(D) Amounts recognised in statement of profit or loss

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest on lease liabilities	2.17	-
Expenses relating to short-term leases	65.29	67.63
Expenses relating to leases of low-value assets	-	-
Total	67.46	67.63

(E) Amounts recognised in the statement of cash flows

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Operating Activity	65.29	67.63
Financial Activity	2.43	-
Total Cash outflow for leases	**67.72**	**67.63**

Sub Lease

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the rightof- use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

The Company had sub-leased the office premises under operating lease for which lease income is recognized in the Statement of Profit and Loss for the year amounting to Rs. 1.77 Lakhs (March 31, 2019 Rs. 7.30 Lakhs). There is no lock-in period for such sub-lease and agreement can be cancelled by both the parties.

53 Employee Stock Options Scheme (ESOP)

The Company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2018 (ESOP 2018) to employees of the Company . These options are vested during 4 years from the grant date and exercisable with in 4 years from vesting date.In the case of resignation of the employee, the grants lapse (if not exercised) after the date of resignation from service.Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The employee compensation expense for the year has been determined on fair value basis as on March 31, 2020. The said ESOPs will start its vesting period from November 5, 2019. The details of which are as follows.

ESOP Scheme	Particulars	Date of Grant	Date of Board Approval	Total options granted
ESOP Scheme 2018	Grant 1	05-Nov-18	05-Nov-18	11,17,710
ESOP Scheme 2018	Grant 2	22-May-19	22-May-19	1,13,742
ESOP Scheme 2018	Grant 3	17-Dec-19	17-Dec-19	8,36,511

Series Reference	2019-2023		2020-2024		2020-2024	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	T-1		T-2		T-3	
Fair value of the option range	23.39 - 23.98		31.44 - 34.87		41.36 - 44.82	
Exercise price	30		50		50	
Vesting period (see table below)	12 to 48 months		12 to 48 months		12 to 48 months	
Method of settlement	Equity		Equity		Equity	
Options outstanding as at beginning of reporting period	**11,17,710**	**-**	**-**	**-**	**-**	**-**
Options granted during the year		11,17,710	1,13,742	-	8,36,511	-
Options lapse during the year	1,97,451	-	24,194	-	-	-
Options exercised during the year	7,756	-	-	-	-	-
Options outstanding as at end of reporting period	**9,12,503**	**11,17,710**	**89,548**	**-**	**8,36,511**	**-**

Manner of vesting: In a graded manner over a 4 year period with 10%, 20%, 30% and 40% of the grants vesting in each year commencing from the start date of the first tranche.

In respect of stock options granted pursuant to the Company's stock option scheme, the fair value of the options is treated as discount and accounted as "Expenses on Employee Stock Option Plan" over the vesting period.

Expenses on Employee Stock Option Plan debited to Statement of Profit and Loss during the year 2019-20 is Rs. 84.03 lakhs (2018-2019 Rs. 37.86 lakhs)

53.1 Fair valuation :

The fair value of options have been calculated on the date of the grant, using Black-Scholes model by an external firm of valuer.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of the grant are:

Grant Date	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of Underlying share at the time of option grant
05-Nov-18	7.35%-7.46%	4.5 to 6 years	46.1%-47.9%	2.29%	43.8
22-May-19	6.86%-7.41%	4.5 to 6 years	46.50%	0.73%	61.5
17-Dec-19	6.86%-7.41%	4.5 to 6 years	46.50%	0.73%	73.9

53.2 Details of the liabilities arising from the share based payments were as follows

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Total carrying amount	120.16	37.86

54 First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information presented in these financial statements for the year ended March 31, 2019 and in the preparation of an opening Ind AS balance sheet at April 1, 2018 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified Rule 7 of Companies (Accounts) Rules 2014 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

i. Deemed cost

Ind AS 101 permits a first time adopter to elect to fair value of its property, plant and equipment as recognised in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively. Ind AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS. This exemption can be also used for intangible assets covered by Ind-AS 38.
The Company has opted to consider the carrying value of property, plant and equipments, Intangible assets as deemed cost as at the transition date.

ii. Estimates

An Company's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP.The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
- Impairment of financial assets based on expected credit loss model.

iii. Classification and measurement of financial assets

Ind AS 101 requires an Company to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

iv. Derecognition of financial assets and liabilities

The Company has applied the derecognition requirement of finanical assets and financial liabilities prospectively for transaction occurring on or after the transition date.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an Company to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

i. Reconciliation of Balance sheet as at date of transition (April 1, 2018)

(Rs in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind AS
ASSETS				
Financials Assets				
Cash and cash equivalents		250.57	0.01	250.58
Bank balances other than cash and cash equivalents		-	-	-
Receivables				
Trade Receivables		38.39	-	38.39
Other Receivables				-
Loans	a,c,f	4,921.22	(291.20)	4,630.02
Investments	b	74.68	183.23	257.91
Other Financials Assets		0.08	-	0.08
Non Financials Assets				
Current Tax Assets (Net)		-	-	-
Deferred Tax Assets (Net)	e	93.70	37.46	131.16

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2020

Investment Property		56.25	-	56.25
Property,Plant and Equipment		8.09	-	8.09
Intangible assets under development		34.355	-	34.36
Other Intangible assets		3.49	-	3.49
Other non-financials assets (to be specified)		7.58	0.01	7.59
Total Assets		**5,488.41**	**(70.49)**	**5,417.92**
LIABILITIES AND EQUITY				
Liabilites				
Financial Liabilities				
Payables				
Trade payables		24.71	-	24.71
Other payables		-	-	-
Borrowings (Other than Debt Securities)		4,015.04	-	4,015.04
Other financial liabilities		32.98	(0.02)	32.96
Non-Financial Liabilities				
Current tax liabilities(Net)		72.06	-	72.06
Provisions	f	56.32	(49.31)	7.00
Other non-financial liabilities	d	17.50	0.72	18.22
Total Liabilities		**4,218.61**	**(48.62)**	**4,169.99**
EQUITY				
Equity Share capital		775.78	-	775.78
Other Equity	a,b,c,d, e	494.04	(21.89)	472.15
Total Equity		**1,269.82**	**(21.89)**	**1,247.93**
Total Liabilities and Equity		**5,488.43**	**(70.51)**	**5,417.92**

II. **Reconciliation of Balance sheet as at March 31, 2019**

(Rs in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind AS
ASSETS				
Financials Assets				
Cash and cash equivalents		362.04	-	362.04
Bank balances other than cash and cash equivalents		17.55	-	17.55
Receivables				
Trade Receivables		0.65	-	0.65
Other Receivables				-
Loans	a,c,f,g	4,939.33	(422.86)	4,516.47
Investments		-	-	-
Other Financials Assets		1.54	-	1.54
Non Financials Assets				
Current Tax Assets (Net)		37.71	-	37.71
Deferred Tax Assets (Net)	e,k	85.66	137.24	222.90
Investment Property				-
Property,Plant and Equipment		29.65	0.00	29.65
Intangible assets under development		65.07	-	65.07
Other Intangible assets		46.97	-	46.97
Other non-financials assets		22.32	-	22.32
Non-current assets held for sale		55.33	-	55.33
Total Assets		**5,663.82**	**(285.62)**	**5,378.20**
LIABILITIES AND EQUITY				
Liabilites				
Financial Liabilities				
Payables				
Trade payables		23.37	-	23.37
Other payables		-	-	-
Borrowings (Other than Debt Securities)		2,541.32	-	2,541.32
Other financial liabilities		48.19	-	48.19
Non-Financial Liabilities				
Current tax liabilities(Net)		-	-	-
Provision	f	44.93	(31.96)	12.97
Deferred tax liabilities (Net)			-	-
Other non-financial liabilities		87.61	-	87.61
Total Liabilities		**2,745.42**	**(31.96)**	**2,713.46**
EQUITY				
Equity Share capital		1,350.00	-	1,350.00
Other Equity	a,b,c,g, e,k	1,568.40	(253.66)	1,314.74

Total Equity		**2,918.40**	**(253.66)**	**2,664.74**
Total Liabilities and Equity		**5,663.83**	**(285.61)**	**5,378.20**

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

iii. Reconciliation of total comprehensive income for the year ended March 31, 2019

(Rs in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind AS
Revenue from operations				
Interest income	g	923.86	4.51	928.37
Fees and commission Income	c,j	883.25	(21.87)	861.38
Net gain on fair value changes	b	279.92	(183.23)	96.69
Others		16.81	(0.01)	16.80
Total Revenue from operations		**2,103.84**	**(200.60)**	**1,903.24**
Other Income		26.08	-	26.08
Total Income(I+II)		**2,129.92**	**(200.60)**	**1,929.32**
Expenses				
Finance costs		517.67	-	517.67
Fees and commission expense	c	18.55	(17.59)	0.96
Impairment on financial instruments	a	131.23	158.99	290.22
Employee Benefits Expenses	h	512.96	3.48	516.44
Depreciation, amortization and impairment		16.60	0.01	16.60
Others expenses	d,i,j	360.29	(15.57)	344.72
Total Expenses(IV)		**1,557.30**	**129.31**	**1,686.61**
Profit/(loss) before tax (III-IV)		**572.62**	**(329.91)**	**242.71**
Tax expense:				
Current tax	k	135.12	(28.49)	106.63
Deferred tax	e	(5.10)	(72.25)	-77.35
Profit/(loss) for the period (VI-VII)		**442.60**	**-229.17**	**213.43**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurement gain / (loss) on defined benefit plan	h	-	3.48	3.48
Income tax impact	e	-	(0.97)	-0.97
Items that will reclassified to profit or loss				-
Other comprehensive income/(loss) (A+B)		-	**2.51**	**2.51**
Total comprehensive income		**442.60**	**(226.64)**	**215.94**

* The previous year figures of financials prepared under IGAAP have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

iv. Reconciliation of total equity as at March 31, 2019 and April 1, 2018

(Rs in Lakhs)

Particulars	Notes	March 31, 2019	April 1, 2018
Total equity (shareholder's funds) as per previous GAAP		**2,918.40**	**1,269.82**
Adjustments:			
Under IND AS 109 - Financial Instruments			
- Loan loss provisioning as per ECL model	a	(385.07)	(226.06)
- Interest Recognition on Credit impaired assets	g	4.50	-
- Fair valuation of Investments	b	-	183.23
- Loan upfront fees recognition as per EIR model	c	(10.33)	(16.53)
- Restatement of error in tax	k	28.49	
Under IND AS 12 - Deferred Taxes on above adjustments	e	108.75	37.46
Total		**2,664.74**	**1,247.93**

v. Reconciliation of total comprehensive income for the year ended March 31, 2019

(Rs in Lakhs)

Particulars	Notes	March 31, 2019
Profit after tax as per previous GAAP		**442.61**
Adjustments:		
Under IND AS 109 - Financial Instruments		
- Loan loss provisioning as per ECL model	a	(159.01)
- Interest Recognition on Credit impaired assets	g	4.50
- Fair valuation of Investments	b	(183.23)

- Loan upfront fees recognition as per EIR model	c	6.20
Under IND AS 12 - Deferred Taxes	e	72.27
- Restatement of error in tax	k	28.49
-Share issue expense	i	5.09
Remeasurement of Defined Benefit scheme	h	-3.48
Profit after tax as per Ind AS		**213.43**
Other comprehensive income, net off tax	h,e	2.51
Total comprehensive income as per Ind AS		**215.94**

vi. **Effects of Ind AS adoption on Cash Flows for year ended March 31, 2019**

There are no material adjustments to the Statement of Cash flows as reported under the previous GAAP.

Notes

a **Impairment Provision as per Expected credit loss**

Under Indian GAAP, the Company has created provision for loans to customer only in respect of specific amount based on RBI guidelines.Under Ind AS, impairment allowance has been determined based on Expected Credit Loss model (ECL) as per Ind AS 109 Financial Instruments.

b **Investments measured at FVTPL**

The Company has designated investments in equity shares at Fair Value through Profit and Loss (FVTPL).At the date of transition to Ind AS, difference between the fair value of investment and IGAAP carrying amount has been recognised in Retained Earnings and for the year ended March 2019, fair value gain has been recognised in Statement of profit and Loss.

c **Effective Interest Rate (EIR)**

Under Indian GAAP, upfront fees from customers and DSA commision to procure a loan was recognised in profit and loss at point in time while under Ind AS, such costs are included in the initial recognition amount of financial asset and recognised as interest income using the effective interest method.

d **Unearned income inrespect of upfront fees**

Under Indian GAAP, upfront fees was recognised in profit and loss at point in time while under Ind AS, it is included in the initial recognition amount of financial asset and recognised as interest income using the effective interest method. Upfront fees received in respect of undisbursed loan is recognised as deferred liability.

e **Deferred tax**

Retained Earnings and Statement of Profit and Loss has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax and additional deferred tax (wherever it was not recognised in previous GAAP), wherever applicable.

f **Reclassification of provision of standard / non-performing assets (NPA)**

Under Indian GAAP provision for NPA and standard asset were presented under provisions. However, under Ind AS financial assets measured at amortised cost (majorly loans) are presented net of provision for expected credit losses.

g **Interest recognition on credit impared assets**

Interest revenues are calculated on the net carrying amount for credit-impaired financial assets under IND AS

h **Remeasurements of post employment benefit obligation**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year.

i **Transaction cost on issue of equity**

Under Ind AS Transaction costs of an equity transaction shall be accounted for as a deduction from equity.

j **Set off directly related incomes from the expenses**

Documentaion fees and processing fees received are netted against respective expenses

k **Restatement of error in tax**

The Company had made provision for tax in the previous year by applying incorrect rate of tax while calculating the tax on capital gains on sale of equity instruments which was duly rectified while filing income tax return. The same has been rectified in the current year by restating the previous year figures, resulting in reversal of excess provision of taxes and availing of MAT credit aggregating of Rs. 28.49 Lakhs in-line with requirement of Ind AS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Dhanvarsha Finvest Limited
Notes to Standalone Financial Statements for the year ended March 31, 2020

55 Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company (as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as at March 31, 2020.

(Rs in Lakhs)

55.1	Liabilities Side	As at March 31, 2020 Outstanding Amount	As at March 31, 2020 Amount Overdue	As at March 31, 2019 Outstanding Amount	As at March 31, 2019 Amount Overdue
	Loans and advances availed by the non banking financial Company inclusive of interest accrued thereon but not paid:				
	a) Debentures:				
	Secured	-	-	-	-
	Unsecured	-	-	-	-
	(other than falling within the meaning of public deposits*)				
	b) Deferred Credits	-	-	-	-
	c) Term Loans	385.79	-	-	-
	d) Inter-corporate loans and borrowings	1,339.96	-	2,241.39	-
	e) Commercial Paper	-	-	-	-
	f) Public Deposits	-	-	-	-
	g) Other Loans - Lease Liability	115.53	-	-	-
	Total	1,840.73	-	2,241.39	-

(Rs in Lakhs)

55.2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	As at March 31, 2020	As at March 31, 2019
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-

(Rs in Lakhs)

55.3	Assets Side	As at March 31, 2020	As at March 31, 2019
	Breakup of Loans and Advances including bills receivables (other than those included in (4) below) :		
	a) Secured*	2,509.83	3,838.48
	b) Unsecured*	804.21	1,095.01

* Represents gross value

(Rs in Lakhs)

55.4	Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities	As at March 31, 2020	As at March 31, 2019
	i) Lease assets including lease rentals under sundry debtors:		
	a) Financial Lease	-	-
	b) Operating Lease	-	-
	ii) Stock on hire including hire charges under sundry debtors:		
	a) Assets on hire	-	-
	b) Repossed Assets	-	-
	iii) Other loans counting towards AFC activities		
	a) Loans where assets have been repossessed	-	-
	b) Loans other than (a) above -	-	-

(Rs in Lakhs)

55.5	Breakup of Investments:	As at March 31, 2020	As at March 31, 2019
	Current Investments:		
	1. Quoted:		
	i) Shares:		
	(a) Equity		-
	(b) Preference	-	-
	ii) Debentures and Bonds	-	-
	iii) Units of mutual funds	126.41	-
	iv) Government Securities	-	-
	v) Others	-	-
	2. Unquoted:		
	i) Shares:	-	-
	(a) Equity	-	-
	(b) Preference	-	-
	ii) Debentures and Bonds	-	-
	iii) Units of mutual funds	-	-
	iv) Government Securities	-	-
	v) Others		
	Long Term investments:		
	1. Quoted:		
	i) Shares:	-	-
	(a) Equity	-	-
	(b) Preference	-	-
	ii) Debentures and Bonds	-	-
	iii) Units of mutual funds	-	-
	iv) Government Securities	-	-
	v) Others	-	-
	2. Unquoted:		
	i) Shares:		
	(a) Equity	5.25	-
	(b) Preference	-	-
	ii) Debentures and Bonds	-	-
	iii) Units of mutual funds	-	-
	iv) Government Securities	-	-
	v) Others	-	-

55.6 Borrower groupwise classification of assets financed as in (3) and (4) above:

(Rs in Lakh)

Category	As at March 31, 2020 Secured	As at March 31, 2020 Unsecured	As at March 31, 2020 Total	As at March 31, 2019 Secured	As at March 31, 2019 Unsecured	As at March 31, 2019 Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties*	2,889.50	834.21	3,723.71	3,839.45	1,093.11	4,932.45

*Represents gross value

55.7 Investor groupwise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) $

(Rs in Lakhs)

Category	As at March 31, 2020 Market Value / Break up or fair value or NAV	As at March 31, 2020 Book Value (Net of Provisions)	As at March 31, 2019 Market Value / Break up or fair value or NAV	As at March 31, 2019 Book Value (Net of Provisions)
1. Related Parties **				
a) Subsidiaries	5.00	5.00	-	
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2. Other than related parties	138.41	121.37	-	-

$ The Company has not disclosed the breakup of investment into Long term investment and current investment as the classification is not required under Indian Accounting Standards issued by MCA.

55.8 Other information

(Rs in Lakhs)

	As at March 31, 2020	As at March 31, 2019
i) Gross Non Performing Assets ##		
a) Related Parties	-	-
b) Other than related parties	320.87	294.22
ii) Net Non Performing Assets##		
a) Related Parties	-	
b) Other than related parties	138.21	140.18
iii) Assets acquired in satisfaction of debt		

NPA accounts refer to Stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind-AS. 90 days Past due is considered as default for classifying a financial instrument as credit impaired.

Note :

Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA

All Indian Accounting Standards issued by MCA are applicable including valuation of investments and other assets

56 Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Purushottam Nyati
Partner
Membership No. 118970

Mumbai
Date : June 15, 2020

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231GJ1994PLC023528

Rakesh Sethi
Chairman
DIN: 02420709

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

M Vijay Mohan Reddy
Company Secretary
M. No. 49299
Hyderabad
Date : June 15, 2020

Narendra Tater
Chief Financial Officer
Mumbai
Date : June 15, 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of Dhanvarsha Finvest Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Dhanvarsha Finvest Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated profit (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter
1	**Transition to Ind AS accounting framework (as described in note 53 of the consolidated Ind AS financial statements)** The Group has adopted Ind AS from April 1, 2019 with an effective date of April 1, 2018 for such transition. For periods up to and including the year ended March 31, 2019, the Holding Company had prepared and presented its standalone financial statements in accordance with Accounting Standards prescribed under the section 133 of the Act (Indian GAAP). Accordingly, for transition to Ind AS, the Holding Company has prepared its consolidated financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the opening Balance Sheet as at April 1, 2018 under Ind AS. The transition has involved significant change in the Holding Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting. In view of the significant degree of management judgment involved in implementation of the Ind AS framework and significance of the various disclosures, the transition to Ind AS accounting framework has been identified as an area of key focus in our audit of the consolidated Ind AS financial statements.	Our audit procedures included but were not limited to the following: • Assessed the Holding Company's process to identify the impact of adoption and transition to Ind AS; • Evaluated the design of internal controls and tested the operating effectiveness of key internal controls around the process of preparation of consolidated Ind AS financial statements, • Reviewed the mandatory and optional exemptions and exceptions allowed by Ind AS and availed by the Holding Company in applying the first-time adoption principles of Ind AS 101; • Evaluated and tested the key assumptions and judgments adopted by management in line with principles under Ind AS; and • Assessed the disclosures made as required by the relevant Ind AS.

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2	**Loan Assets and Impairment Loss Allowance of Loans and Advances** ***(Refer Notes 7 and 49 to the consolidated Ind AS financial statements)*** The Holding Company's portfolio of advances to customers amounts to Rs 3,723.81 lakhs as at March 31, 2020. Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Holding Company has significant credit risk exposure considering the loan portfolio which constitutes a significant value on the Balance sheet and there is a high degree of complexity and judgment involved in estimating credit impairment, loss allowance against these loans and to additionally determine the potential impact of unprecedented COVID-19 pandemic on asset quality and impairment loss allowance. The Holding Company's model to calculate expected credit loss ("ECL") is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ("ECL Model") including the selection and input of forward looking information. ECL provision calculation require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.	With respect to assessment of impairment loss allowance and audit of loan assets, we performed particularly the following procedures: • We tested the reliability of key data inputs and related management controls; • We checked the stage classification as at the balance sheet date as per the definition of Default of the Holding Company; • We have also recalculated the ECL provision manually for selected samples; • We have reviewed the process of the Holding Company to grant moratorium to the borrowers as per the Regulatory Package announced by the Reserve Bank of India (RBI). Further, we have relied on the assumption of the management that there will be no significant increase in the credit risk in the cases where moratorium is given and that the staging based on the days past due (DPD) will be considered as per the RBI COVID-19 Regulatory Package. We have tested on samples basis the DPD freeze for cases where moratorium is provided in accordance with RBI COVID-19 Regulatory Package; • We have broadly reviewed the underlying assumptions and estimates used by the management for the Impairment loss allowance under Ind AS 109 considering the COVID-19 pandemic but the extent of impact is dependent on future developments which are highly uncertain, we have primarily relied on those assumptions and estimates. These assumptions and estimates are a subject matter of periodic review by the Holding Company; and • For new Loan Assets disbursed during the year, we tested on sample basis, whether the credit appraisals, credit sanctioning and credit disbursements are as per Holding Company's policy

Emphasis of Matter – Assessment of COVID 19 Impact

We draw attention to Note 40 to the consolidated Ind AS financial statements, which describes the uncertainties arising from COVID 19 pandemic and impacting the Group's operations and estimates related to impairment of assets, which are dependent on future developments regarding the severity and duration of the pandemic.

Our opinion is not modified in respect of this matter.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Management Discussion & Analysis, Directors' Report and Corporate Governance Report, but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon. The above mentioned other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary company, which is a company incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated Ind AS financial statements regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) As stated in Note 54 to the consolidated Ind AS financial statements, the comparative financial information for the year ended March 31, 2019 and April 01, 2018 pertains to the standalone Ind AS financial statements for the same period, since consolidation was applicable to the Holding Company only after the sole subsidiary was formed during this year. Hence, previous period figures are not comparable.

(b) The comparative financial information of the Holding Company for the year ended March 31, 2019 and the transition date opening balance sheet as at April 01, 2018 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended March 31, 2018 and March 31, 2019 dated May 30, 2018 and May 22, 2019 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Holding Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

MUMBAI

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors of the Holding Company and its subsidiary company, incorporated in India, as on March 31, 2020 and taken on record by the Board of Directors of the Holding Company and its subsidiary company, incorporated in India, none of the directors of the Holding Company and its subsidiary company, incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The subsidiary company has not paid/provided any remuneration to its directors during the year hence provisions of section 197 of the Act are not applicable;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 37 to the consolidated Ind AS financial statements;

(ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For Haribhakti & Co LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Purushottam Nyati
Partner
Membership No.: 118970
UDIN: 20118970AAAACU1132
Place: Mumbai
Date: June 15, 2020

MUMBAI

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Dhanvarsha Finvest Limited on the consolidated Ind AS financial statements for the year ended March 31, 2020]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of Dhanvarsha Finvest Limited ("Holding Company") as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which is a company incorporated in India, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Purushottam Nyati
Partner
Membership No.: 118970
UDIN: 20118970AAAACU1132

Place: Mumbai
Date: June 15, 2020

MUMBAI

DHANAVARSHA FINVEST LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2020

1. Basis of preparation

A. Statement of Compliance

The Consolidated financial statements relates to M/s. Dhanvarsha Finvest Limited (the " Holding Company") and its subsidiary (together constitute as the 'Group'). The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The Group has adopted Ind AS from April 1, 2019 with effective transition date of April 1, 2018 and accordingly, these consolidated financial statements together with the comparative reporting period have been prepared in accordance with Ind AS, prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other relevant provisions of the Act. The transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act read with Rule 7 of Companies (Accounts) Rules 2014 (as amended) and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at April 1, 2018 and the comparative previous year has been restated / reclassified. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the balance sheet, statement of profit and loss and cash flow statement are provided in Note 53.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to NonBanking Financial Companies (NBFCs), as notified by the MCA.

These financial statements are approved for issue by the Board of Directors on 15 June, 2020.

B. Basis of Consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of following subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Name of the subsidiary	Name of the parent entity	Ownership in % either directly or through subsidiaries	Country of incorporation
DFL Technologies Private Limited	Dhanvarsha Finvest Limited	100%	India

The Group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses.

Intra-group balance and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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C. Functional and Presentation Currency

The consolidated financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. All the amounts are rounded to the nearest lakhs with two decimals, except when otherwise indicated.

D. Basis of Measurement

The consolidated financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the Act, except for:

- Financial instruments – measured at fair value
- Employees Stock Option plan as per fair value of the option
- Employee's Defined Benefit Plan as per actuarial valuation.

E. Use of Estimates and Judgements

The preparation of consolidated financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgments, estimates and assumptions are recognised in particular for:

i. Business model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the business model test. The Group determines the business model at a level that reflects how Group's of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii. Determination of estimated useful lives of property, plant, equipment:

Useful lives of property, plant and equipment are based on nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support and supported by independent assessment by professionals.

iii. Recognition and Measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the basis of above valuation includes discount rate, trends in salary escalation, demographics and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Further details are disclosed in Note 41.

iv. Recognition of deferred tax assets:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

v. Recognition and measurement of provisions and contingencies

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

vi. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Refer Note 48 about determination of fair value. For recognition of impairment loss on other financial assets and risk exposures, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss.

vii. Impairment of financial assets

The Group recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Group assesses whether the above financial assets are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Group follows 'general approach' for recognition of impairment loss allowance on loan and advances. Under this approach Impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

viii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales

MUMBAI CHARTERED ACCOUNTANTS

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transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

F. Standards issued but not effective:

The amendments are proposed to be effective for reporting periods beginning on or after April 1, 2020:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

2. Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

A. Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Group and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of property , plant and equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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Transition date:

The Holding Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2018 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Depreciation on plant, property and equipment

Depreciation on property, plant and equipment (except motor vehicles) is provided on straightline method at estimated useful life, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Particulars	Useful Life as per prescribed in Schedule II of the Act (year)
Computers	3
Networks and Servers	6
Furniture and fixtures	10
Office equipment	5

Motor vehicles are depreciated over a period of eight years on written down value method. Leasehold improvement is amortized over the period of the lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

B. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss.

Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

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Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Group's intangible assets is as below:

Particulars	Useful life (years)
Computer software	5

Transition Date:
On the date of transition to Ind AS, the Holding Company has elected to continue with the net carrying value of intangible assets recognised as at April 1, 2018 measured as per previous GAAP and use that carrying value as the deemed cost of intangible assets.

C. Impairment of property, plant and equipment and intangible assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired, if any such indication exists, the Group estimates the recoverable amount of the assets.
If such recoverable amount of asset or recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at balance sheet date there is an indication that a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Recoverable amount is the higher of an asset's or cash generating unit's net selling price and value in use.

D. Revenue recognition

i. <u>Interest Income</u>

Interest income for all financial instruments except for those measured or designated as at FVTPL are recognised in the profit or loss account using the effective interest method (EIR). Interest on financial instruments measured as at FVTPL is included within the fair value movement during the period.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)).

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the expected cash flows are estimated by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

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ii. **Processing Fee and Application Fee:**

Income from application and processing fees including recovery of documentation not forming part of effective rate calculation charges are recognised upfront.

iii. **Delayed Payment charges, Penal Interest, Other Penal Charges, Foreclosure Charges :**

Delayed Payment charges, Penal Interest, Other Penal Charges, Foreclosure Charges are recognised on receipt basis on account of uncertainty of the ultimate collection of the same.

iv. **Dividends:**

Dividend income is recognized when the Company's right to receive dividend is established on the reporting date.

v. **Fees & Commission Income:**

Fees and commissions are recognised when the Group satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as per Ind AS 115 , unless included in the effective interest calculation.

vi. **Net gain on Fair value changes**

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVOCI.

E. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

– Fixed payments, including in-substance fixed payments;

– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

– Amounts expected to be payable under a residual value guarantee; and

– The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property and hence disclosed in 'property, plant and equipment' and lease liabilities in 'Borrowings' in the statement of financial position.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of properties that are having non-cancellable lease term of less than 12 months and low value assets . The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a Lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

F. Financial Instruments

i. Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial instruments to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the cashflows of the financial assets and the Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages Group's of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

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The Group classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

ii. Financial assets at Amortised Cost:

The Group classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

iii. Financial assets at Fair value through Other Comprehensive Income (FVOCI):

The Group classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Group's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

iv. Financial Instruments at Fair Value through Profit and Loss Account (FVTPL)

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Group does not have any financial instruments designated as measured at fair value through profit or loss.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Group has not designated any financial instruments as measured at fair value through profit or loss.

v. Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

vi. Derecognition of financial assets and financial liabilities

Recognition

a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.

b) Investments are initially recognised on the settlement date.

c) Borrowings are initially recognised when funds reach the Group.

d) Other financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification :

a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

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The Group has transferred the financial asset if, and only if, either:

i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer only qualifies for derecognition if either:

i. The Group has transferred substantially all the risks and rewards of the asset, or

ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Group does not have any financial liabilities which have been derecognised.

vii. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

viii. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognized at the amount of the proceeds received, net of direct issue costs.

G. Impairment of Financial Assets:

The Holding Company records allowance for expected credit losses (ECL) for all loans and debt investments, together with loan commitments to customers. The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case the allowance is based on the 12 months' expected credit loss. Both life time expected credit loss and 12 months' expected credit loss are calculated on individual loan / instrument basis.

At the end of each reporting period, the Holding Company performs an assessment of whether the loan's / investment's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the asset.

Based on the above, the Holding Company categorises its loans in to Stage 1, Stage 2 and Stage 3 as under:

Stage 1: When loans are first recognised, the Holding Company recognises an allowance based on 12 months'
expected credit loss. Stage 1 loans also include facilities where the credit risk has improved and the loan has been re-classified from Stage 2.

Stage 2: When a loan has shown significant increase in credit risk since origination, the Holding Company records an allowance for the life time expected credit loss. Stage 2 loans also include facilities where the credit risk has improved and the loan has been re-classified from Stage 3.

Stage 3: When a loan is credit impaired, the Holding Company records an allowance for the life time expected
credit loss.

Calculation of Expected Credit Losses (ECL)
The Holding Company calculates ECL to measure the expected cash shortfall, discounted at the Effective Interest Rate (EIR). Expected cash shortfall is the difference between the cash flows that are contractually due to the Holding Company and cash flows that the Holding Company expects to receive.

Key elements considered for ECL calculation are as under:

Probability of Default (PD): It is an estimate of the likelihood of default over a given time horizon. In order to estimate the PDs, studies on defaults experience in the past have been taken into account.

Exposure at Default (EAD): EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayment of principal and interest, whether contractually scheduled or otherwise and expected drawdown on committed loan facilities and accrued interest from missed payments. A credit conversion factor of 10% is applied for expected drawdown on committed loan facilities.

Loss Given Default (LGD): LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Holding Company would expect to receive, including from the realization of any security.

ECL is calculated as under:
Stage 1: The Holding Company calculates the 12 months' ECL based on the expectation of a default occurring
within 12 months from the reporting date. The expected 12-month PD is applied to the EAD and multiplied by the expected LGD and discounted at the EIR.

Stage 2: When a loan has shown significant increase in credit risk since origination, the Holding Company records an allowance for life time expected credit loss as above, but the PD and LGD is estimated over the lifetime of the loan.

Stage 3: For loans considered credit impaired, life time ECL is recognised. The method is similar to that for Stage 2 loans / assets, with the PD set at 100%.

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Simplified approach for trade/other receivables and contract assets

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade/other receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

Write-offs

The Holding Company reduces the gross carrying amount of a financial asset when the Holding Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Holding Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

H. Determination of Fair Value

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: Inputs for the current assets or liability that are not based on observable market data (unobservable inputs).

I. Retirement and other employee benefits

Defined Contribution schemes

The employees of the Holding Company who have opted, are entitled to receive benefits under the Provident Fund Scheme and Employee Pension Scheme, defined contribution plans in which both the employee and the Holding Company contribute monthly at a stipulated rate. The Holding Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

Defined benefit plans

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

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The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Holding Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss. Net interest expense / (income) on the defined liability / (assets) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Holding Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other Long Term Employee Benefits

The Holding Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

J. Share based payments

Employees Stock Options Plans ("ESOPs") - Equity settled

The Holding Company grants share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Holding Company's operations. Employees (including directors) of the Holding Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity settled transactions").

The cost of equity-settled transactions with employees and directors for grants is measured by reference to the fair value at the date at which they are granted. The cost of equity-settled transactions is recognised in statement profit and loss, together with a corresponding increase in other equity, representing contribution received from the shareholders, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

K. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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Deferred income taxes reflect the impact of temporary timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary timing differences. Deferred tax assets are recognized for deductible temporary timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

L. Finance Costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- At the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

MUMBAI CHARTERED ACCOUNTANTS

DHANAVARSHA FINVEST LIMITED MUMBAI

M. Foreign currency transactions and balances

a. **Initial recognition:**
Foreign currency transactions are recorded in the reporting currency (which is Indian Rupees), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b. **Conversion:**
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

c. **Exchange differences:**
All exchange differences arising on settlement or translation of monetary items are recognized as income or as expenses in the period in which they arise.

N. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

O. Segmental Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

The Joint Managing Directors of the Holding Company assesses the financial performance and position of the Group and make strategic decisions and hence has been identified as being chief operating decision maker.

P. Provisions

A provision is recognized when the Group has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

DHANAVARSHA FINVEST LIMITED MUMBAI

Q. Contingent liabilities and Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements if the inflow of the economic benefit is probable than it is disclosed in the financial statements.

R. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

S. Good and Service Tax input credit

Goods and Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits. The Company has opted to claim 50% of eligible input tax credit on inputs, capital goods and input services and the balance 50% is charged to the statement of profit and loss as per applicable provisions.

MUMBAI

MUMBAI

Dhanvarsha Finvest Limited
Consolidated Balance Sheet as at March 31, 2020

(Rs in Lakhs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Assets				
Financials Assets				
(a) Cash and cash equivalents	4	170.84	382.04	250.58
(b) Bank balances other than cash and cash equivalents	5	177.94	17.55	-
(c) Receivables	6			
(i) Trade Receivables		118.17	0.85	38.39
(ii) Other Receivables		-	-	-
(d) Loans	7	3,285.52	4,516.47	4,630.02
(e) Investments	8	128.41	-	257.91
(f) Other Financials Assets	9	339.89	1.54	0.08
Non Financials Assets				
(a) Current Tax Assets (Net)	10	41.67	37.71	-
(b) Deferred Tax Assets (Net)	11	188.21	222.90	131.16
(c) Investment Property	12	-	-	69.25
(d) Property,Plant and Equipment	13	189.40	29.65	8.09
(e) Capital Work In Progress		25.84	-	-
(f) Intangible assets under development		11.51	65.07	34.36
(g) Other Intangible assets	14	142.87	46.97	3.49
(h) Other non-financials assets	15	27.51	22.32	7.59
(i) Non-current assets held for sale	16	-	55.33	-
Total Assets		**4,847.78**	**5,378.20**	**5,417.92**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
(a) Payables	17			
(I) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises		8.20	8.10	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		27.24	17.27	24.71
(II) Other payables				
- Total outstanding dues of micro enterprises and small enterprises		-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
(ii) Borrowings (Other than Debt Securities)	18	1,560.75	2,541.32	4,015.84
(iii) Other financial liabilities	19	36.26	48.19	32.96
Non-Financial Liabilities				
(a) Current tax liabilities(Net)	10	33.29	-	77.06
(b) Provisions	20	24.84	12.87	7.00
(c) Deferred tax liabilities (Net)	11	-	-	-
(d) Other non-financial liabilities	21	40.99	87.91	18.22
Total Liabilities		**1,732.47**	**2,713.46**	**4,169.99**
EQUITY				
(a) Equity Share capital	22	1,350.78	1,350.00	775.78
(b) Other Equity	23	1,764.53	1,314.74	472.15
Total Equity		**3,115.31**	**2,664.74**	**1,247.93**
Total Liabilities and Equity		**4,847.78**	**5,378.20**	**5,417.92**
Significant accounting policies and notes to the consolidated financial statements	1 to 54			

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Purushottam Nyati
Partner
Membership No. 118970

HARIBHAKTI & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

Mumbai
Date : June 15, 2020

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231GJ1994PLC023528

Rakesh Sethi
Chairman
DIN: 02420709

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

M Vijay Mohan Reddy
Company Secretary
M. No.A45089

Narendra Taler
Chief Financial Officer

Hyderabad
Date : June 15, 2020

Mumbai
Date : June 15, 2020

Dhanvarsha Finvest Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2020

(Rs in Lakhs)

	Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
I.	**Revenue from operations**			
(i)	Interest income	24	612.80	928.37
(ii)	Fees and commission income	25	1,269.63	861.38
(iii)	Net gain on fair value changes	26	8.16	98.69
(iv)	Others	27	24.98	15.80
	Total Revenue from operations		**1,915.57**	**1,903.24**
II.	Other income	28	13.81	26.08
III.	**Total Income(I+II)**		**1,929.38**	**1,929.32**
IV.	**Expenses**			
(i)	Finance costs	29	165.59	617.67
(ii)	Fees and commission expense	30	3.79	3.96
(iii)	Impairment on financial instruments	31	33.67	200.22
(iv)	Employee Benefits Expenses	32	701.84	515.44
(v)	Depreciation, amortization and impairment	33	48.72	15.60
(vi)	Others expenses	34	421.47	344.72
	Total Expenses(IV)		**1,375.08**	**1,686.61**
V.	**Profit / (loss) before exceptional items and tax (III-IV)**		554.30	242.71
	Exceptional items			
VI.	**Profit/(loss) before tax (III-IV)**		554.30	242.71
VII.	**Tax expense:**	35		
	Current tax		165.20	106.63
	Deferred tax		(16.99)	(77.35)
	Total Tax Expense		148.21	29.28
VIII.	**Profit/(loss) for the period (VI-VII)**		406.09	213.43
IX.	Other Comprehensive Income			
A.	**Items that will not be reclassified to profit or loss**			
i)	Remeasurement gain / (loss) on defined benefit plan		(1.66)	3.48
	Income tax impact	35	0.46	(0.97)
	Total (A)		(1.20)	2.51
B.	**Items that will reclassified to profit or loss**			
	Other comprehensive income/(loss) (A+B)		(1.20)	2.51
X.	**Total comprehensive income(VIII+IX)**		**404.89**	**215.94**
XI.	**Earnings per equity share**	36		
	Basic (INR.)		3.01	1.77
	Diluted (INR)		2.83	1.70
	Significant accounting policies and notes to the consolidated financial statements	1 to 54		

As per our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Purshottam Nyati
Partner
Membership No. 118970

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

Mumbai
Date : June 15, 2020

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231GJ1994PLC023528

Rakesh Sethi
Chairman
DIN: 02420709

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

M Vijay Mohan Reddy
Company Secretary
M. No.A49289

Narendra Tater
Chief Financial Officer

Hyderabad
Date : June 15, 2020

Mumbai
Date : June 15, 2020

Dhanvarsha Finvest Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2020

(Rs in Lakhs)

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit Before Taxes	554.30	242.71
	Adjustment for:		
	Interest Income from Fixed Deposits	(10.50)	(0.01)
	Profit on sale of Investment property	(4.67)	(0.00)
	Depreciation / Amortisation	48.72	19.60
	Impairment on financial instruments	33.67	290.22
	Realised gain on investments	(7.11)	(96.69)
	Unrealised gain on investments	(1.05)	-
	Fee Income Recognition per EIR	7.08	(73.86)
	Employee share based payment expenses	82.30	37.86
	Unrealised foreign exchange gain/loss	(0.04)	0.02
	Operating (loss)/ profit before working capital changes	702.71	419.87
	Movement in working capital		
	(Increase)/decrease in Loans	1,190.20	(105.81)
	(Increase)/Decrease in other financial assets	(343.10)	(1.45)
	(Increase)/Decrease in other assets	-	(14.73)
	(Increase)/Decrease in Trade Receivable	(117.92)	37.74
	Increase/(Decrease) in Other payables	13.12	(1.36)
	Increase/(Decrease) in Other Financial liabilities	(58.80)	84.58
	Increase/(Decrease) in provisions	11.87	9.44
	Cash generated from operations	1,398.35	428.28
	Income taxes paid	(83.72)	(231.75)
	Net cash from/(utilised in) operating activities	1,314.63	196.53
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Property, plant and equipment and Intangible Assets	(181.24)	(112.81)
	Proceeds from sale of Property, plant and equipment and Intangible Assets	-	1.37
	Purchase of investment at fair value through profit and loss account	(1,995.00)	(2,245.40)
	Proceeds from sale of investment at fair value through profit and loss account	1,874.74	2,600.00
	Proceeds from sale of investment at amortised cost	80.00	-
	Investment in Fixed Deposit having original maturity more than three years	(160.39)	-
	Interest Income from Fixed Deposits	10.50	0.01
	Net cash from/(utilised in) investing activities	(371.39)	243.17
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Issue of Shares or Other Equity	2.34	1,325.79
	Proceeds from / (repayment of) borrowings	(1,093.66)	(1,473.72)
	Payment of Lease Liability	(2.43)	-
	Dividends paid including DDT	(40.69)	(180.30)
	Net Cash from financing activities	(1,134.44)	(328.24)
	NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(191.20)	111.46
	Cash and cash equivalents at the beginning of the financial year	362.04	250.58
	Cash and cash equivalents at end of the year	170.84	362.04

Reconciliation of cash and cash equivalents as per the cash flow statement
Cash and cash equivalents as per above comprise of the following

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Balances with banks in Current accounts	169.48	361.25
Cash on hand (including foreign currencies)	1.36	0.79
Bank deposits with maturity of less than 3 months	-	-
Total	170.84	362.04

The above consolidated statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 'Statement of Cash Flows'.

For disclosures relating to changes in liabilities arising from financing activities, Refer 48

Significant accounting policies and notes to the consolidated financial statements 1 to 54

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Purushottam Nyati
Partner
Membership No. 118970

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

Mumbai
Date : June 15, 2020

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231GJ1994PLC023528

Rakesh Sethi
Chairman
DIN: 02420709

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

M Vijay Mohan Reddy
Company Secretary
M. No A49269

Narendra Tater
Chief Financial Officer

Hyderabad
Date : June 15, 2020

Mumbai
Date : June 15, 2020

Dhanvarsha Finvest Limited
Consolidated Statement of Changes in Equity as at March 31, 2020

A. Equity share capital

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Balance at the beginning of the year	1,350.00	775.78	775.78
Changes in Equity Share capital during the year	0.78	574.22	-
Balance at the end of the year	1,350.78	1,350.00	775.78

B. Other Equity

(Rs in Lakhs)

Particulars	Reserve and Surplus				Money received against share warrants	Total
	Securities Premium	Employee stock option outstanding	Retained Earnings	Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934		
Balance at April 1, 2018	-	-	365.03	107.12	-	472.15
Profit for the year	-	-	213.43	-	-	213.43
Additions for the year	631.04	-	-	-	125.00	756.04
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(88.52)	88.52	-	-
Share based payment expense		37.86	-	-	-	37.86
Share Issue Expenses	(5.08)	-	-	-	-	(5.08)
Remeasurement of defined benefit plans (net of tax)	-	-	2.51	-	-	2.51
Total comprehensive income	625.96	37.86	492.45	195.64	125.00	1,477.50
Cash dividends			(135.00)			(135.00)
Dividend distribution tax			(27.75)			(27.75)
At March 31, 2019	625.96	37.86	329.71	195.64	125.00	1,314.75
Profit for the year						-
Additions for the year	1.88	-	406.39	-	-	407.86
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(81.74)	81.74	-	-
Share based payment expense	-	84.03	-	-	-	84.03
Utilisation of securities premium	1.73	(1.73)	-	-	-	-
Remeasurement of defined benefit plans (net of tax)	-	-	(1.20)	-	-	(1.20)
Total comprehensive income	629.55	120.16	652.88	277.38	125.00	1,805.23
Cash dividends			(33.75)			(33.75)
Dividend distribution tax			(6.94)			(6.94)
At March 31, 2020	629.55	120.16	612.17	277.38	125.00	1,764.53

Significant accounting policies and notes to the consolidated financial statements 1 to 84

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Purushottam Nyati
Partner
Membership No. 118970

Mumbai
Date : June 15, 2020

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231GJ1994PLC023528

Rakesh Sethi
Chairman
DIN: 02420709

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

M Vijay Mohan Reddy
Company Secretary
M. No.A46089

Narendra Tater
Chief Financial Officer

Hyderabad
Date : June 15, 2020

Mumbai
Date : June 15, 2020

4 Cash and cash equivalents

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Cash on hand	0.08	0.04	2.12
Foreign currency on hand	1.28	0.75	0.45
Balance with Bank (of the nature of cash and cash equivalents)	3.10	361.25	143.52
Cheques on hand	166.38	-	104.49
Total	170.84	362.04	250.58
* These have been subsequently cleared			

5 Bank balances other than cash and cash equivalents

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unclaimed dividend accounts	18.55	17.55	-
Bank deposit with original maturity for more than three months	159.39	-	
Total	**177.94**	**17.55**	-
Note: Fixed deposit earns interest at a fixed interest rate.			

6 Receivables

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
(i) Trade Receivable			
Considered good - secured	-	-	-
Considered good - unsecured- Others	118.17	0.65	38.39
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables credit impaired	-	-	-
Total (Refer Note 49)	**118.17**	**0.65**	**38.39**
Less: Allowances for impairment losses	-	-	-
Total	**118.17**	**0.65**	**38.39**
(ii) Other Receivables			
Considered good - secured	-	-	-
Considered good - unsecured	-	-	-
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables credit impaired	-	-	-
Total	-	-	-
Less: Allowances for impairment losses	-	-	-
Total	-	-	-

6.1 No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private Companies respectively in which any director is a partner,a director or a member.

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MUMBAI

7 Loans and Advances

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Amortised Cost			
Term Loans			
Secured Loans	2,889.60	3,838.48	4,423.78
Unsecured Loans	834.21	1,095.01	481.63
Total Gross (A) (Refer Note 49)	**3,723.81**	**4,933.49**	**4,905.41**
Less:Impairment loss allowance	(438.29)	(417.02)	(275.39)
Total Net (A)	**3,285.52**	**4,516.47**	**4,630.02**
(i) Secured by tangible assets	2,889.59	3,838.48	4,423.78
(ii)Secured by intangible assets	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-
(iv) Unsecured	834.22	1,095.01	481.63
Total Gross (B)	**3,723.81**	**4,933.49**	**4,905.41**
Less:Impairment loss allowance	(438.29)	(417.02)	(275.39)
Total Net (B)	**3,285.52**	**4,516.47**	**4,630.02**
Loans in India			
(i) Public Sector	-		
(ii) Others	3,723.81	4,933.49	4,905.41
Loans outside India	-	-	-
Total Gross (C)	**3,723.81**	**4,933.49**	**4,905.41**
Less:Impairment loss allowance	(438.29)	(417.02)	(275.39)
Total Net (C)	**3,285.52**	**4,516.47**	**4,630.02**

7.1 The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due -

	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant ncrease in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	More than 90 DPD
March 31, 2020			
Secured Loan	2,222.04	465.04	201.88
Unsecured Loan	773.82	35.94	25.09
Total	2,995.86	500.98	226.97
March 31, 2019			
Secured Loan	3,466.95	77.32	294.22
Unsecured Loan	1,095.01	-	-
Total	4,561.96	77.32	294.22
April 1, 2018			
Secured Loan	4,423.79	-	-
Unsecured Loan	444.36	-	37.26
Total	4,868.15	-	37.26

7.2 The following table summarizes the changes in loss allowances measured using expected credit loss model -

	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant ncrease in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	More than 90 DPD
ECL Allowance -			
March 31, 2020			
Secured Loan	106.40	148.39	101.29
Unsecured Loan	59.80	2.97	19.44
Total	166.20	151.36	120.73
March 31, 2019			
Secured Loan	165.99	25.97	145.04
Unsecured Loan	80.03	-	-
Total	246.02	25.97	145.04
April 1, 2018			
Secured Loan	214.92	-	
Unsecured Loan	32.53		27.95
Total	247.45	-	27.95

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2020

8. Investments

(Rs in Lakhs)

Particulars	31-Mar-20						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	128.41	-	128.41	-	128.41
(ii) Subsidiaries	-	-	-	-	-	-	-
(iii) Equity Instruments	-	-	-	-	-	-	-
Total Gross (A)	-	-	128.41	-	128.41	-	128.41
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	128.41	-	128.41	-	128.41
Total (B)	-	-	128.41	-	128.41	-	128.41
Less: Impairment allowance (C')	-	-	-	-	-	-	-
Total Net (A-C)	-	-	128.41	-	128.41	-	128.41

(Rs in Lakhs)

Particulars	31-Mar-19						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	-	-	-	-	-
(ii) Subsidiaries	-	-	-	-	-	-	-
(iii) Equity Instruments	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	-	-	-	-	-
Total (B)	-	-	-	-	-	-	-
Less: Impairment allowance (C')	-	-	-	-	-	-	-
Total Net (A-C)	-	-	-	-	-	-	-

(Rs in Lakhs)

Particulars	31-Mar-18						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	-	-	-	-	-
(ii) Subsidiaries	-	-	-	-	-	-	-
(iii) Equity Instruments	-	-	257.91	-	257.91	-	257.91
Total Gross (A)	-	-	257.91	-	257.91	-	257.91
(i) Investment outside India	-	-		-		-	-
(ii) Investment in India	-	-	257.91	-	257.91	-	257.91
Total (B)	-	-	257.91	-	257.91	-	257.91
Less: Impairment allowance (C')							
Total Net (A-C)	-	-	257.91	-	257.91	-	257.91

9 Other Financials Assets

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Security Deposits	5.68	1.53	0.03
Other loans and advances	-	0.01	0.05
Accrued Income	334.21	-	-
Total	**339.89**	**1.54**	**0.08**

10 Tax Assets/(Liabilities)

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Tax assets			
Advance income tax(Net of provisions of Rs. 223.49 lakhs (March 31, 2019 Rs.96.25 lakhs (March 31, 2018 : NIL))	41.67	37.71	-
Tax Liabilities			
Provision for current tax(Net of advance tax of Rs. 87.22 lakhs (March 31, 2019 NIL (March 31, 2018 : Rs. 33.82 lakhs))	(33.29)	-	72.06
Total	**8.38**	**37.71**	**72.06**

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11 Deferred tax assets/(liabilities) (net)

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Deferred tax asset on account of:			
Timing difference between tax depreciation and depreciation charged in the books	-	-	0.52
Expected Credit Loss on Loans and advances	116.02	116.02	76.61
Employee Stock Option	33.43	10.53	-
Gratuity	2.02	1.56	1.14
Leave Encashment	4.89	2.05	0.80
Loan upfront fees recognition as per EIR model	1.44	2.87	4.60
Fair Value of deposits	0.01	-	-
Deferred tax liability on account of:			
Fair Valuation of Investment	(0.17)	-	(28.91)
Interest Recognition on Credit impaired assets	0.42	(1.25)	-
Timing difference between tax depreciation and depreciation charged in the books	(8.23)	(0.63)	-
Loan upfront fees recognition as per EIR model	(1.22)	-	-
MAT Entitlement Credit	39.59	91.75	76.40
Net deferred tax assets	**188.21**	**222.90**	**131.16**

11.1 Note (a): Summary of deferred tax assets/(liabilities)

(Rs in Lakhs)

Particulars	As at April 1, 2018	(Charged)/Credited to P & L	(Charged)/Credited to OCI	As at March 31, 2019	(Charged)/Credited to P & L	(Charged)/Credited to OCI	Utilised	As at March 31, 2020
Timing difference between tax depreciation and depreciation charged in the books	0.52	(1.15)	-	(0.63)	(7.60)	-	-	(8.23)
Expected Credit Loss on Loans and advances	76.61	39.40	-	116.02	0.00	-	-	116.02
Gratuity	1.14	1.38	(0.97)	1.56	0.00	0.46	-	2.02
Leave Encashment	0.80	1.25	-	2.05	2.84	-	-	4.89
Loan upfront fees recognition as per EIR model	4.60	(1.72)	-	2.87	(1.44)	-	-	1.44
Loan processing fees recognition as per EIR model	-	-	-	-	(1.22)	-	-	(1.22)
Fair Value of deposits	-	-	-	-	0.01	-	-	0.01
Interest Recognition on Credit impaired assets	-	(1.25)	-	(1.25)	1.67	-	-	0.42
Fair Valuation of Investment	(28.91)	28.91	-	-	(0.17)	-	-	(0.17)
Employee Stock Option	-	10.53	-	10.53	22.90	-	-	33.43
MAT Entitlement Credit	76.40	15.35	-	91.75	-	-	(52.15)	39.59
			-					
Net Net deferred tax assets/(liability)	**131.16**	**92.70**	**(0.97)**	**222.90**	**16.99**	**0.46**	**(52.15)**	**188.20**

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12 Investment Property

(Rs in Lakhs)

Particulars	Investment Property
For the year ended March 31, 2020	
Gross Carrying Amount	
Cost as at April 1, 2019	-
Additions	
Disposals - Classified as held for sale	-
Gross carrying value as of March 31, 2020	-
Accumulated Depreciation	
Accumulated Depreciation as at April 1, 2019	-
Depreciation charge during the year	-
Disposals-Classified as held for sale	-
Accumulated depreciation as of March 31, 2020	-
Net carrying value as of March 31, 2020	-
For the year ended March 31, 2019	
Gross Carrying Amount	
Deemed cost as at April 1, 2018	56.25
Additions	-
Disposals	(56.25)
Gross carrying value as of March 31, 2019	-
Accumulated Depreciation	
Depreciation charge during the year	0.92
Disposals	(0.92)
Accumulated depreciation as of March 31, 2019	-
Net carrying value as of March 31, 2019	-

12.1 Amount recognised in profit and loss account

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
i).Rental Income	-	-
ii).Direct operating income (including R& M)from property that generated rental income	-	-
iii) Direct operating income (including R& M)from property other than above	-	-
iv.) Depreciation	-	0.92
v.) Profit/(Loss) frominvestment property	-	(0.92)

12.2 Contractual obligations

There are no contractual obligation inrelation to investment property

12.3 Fair value of investment properties

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Building	-	-	60.00

12.4 Estimation of Fair value

In view of the recent sale of investment property and similar assets, the management is of the opinion that the fair value of the investment property can be considered as Level 3 valuation based on market value as per sale deed.

12.5 Deemed Cost

On transition to Ind AS, the Holding Company has elected to continue with the carrying value of its Investment Property recognised as at April 1,2018 measured as per Previous GAAP and used that carrying value as the deemed cost of the Investment Property.

(Rs in Lakhs)

Particulars	Software	Total
Gross Block	58.17	58.17
Accumulated Depreciation	1.92	1.92
Net Block	56.25	56.25

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13 Property, Plant and Equipment

(Rs in Lakhs)

Particulars	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Right to Use	Total
For the year ended March 31, 2020							
Gross Carrying Amount							
Cost as at April 1, 2019	29.37	0.17	3.97	1.08	7.62	-	42.21
Additions	17.47	-	13.99	2.80	23.40	115.53	173.19
Disposals	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2020	**46.84**	**0.17**	**17.96**	**3.88**	**31.02**	**115.53**	**215.40**
Accumulated Depreciation							
Accumulated Depreciation as at April 1, 2019	4.40	-	0.48	0.06	7.63	-	12.57
Depreciation charge during the year	9.16	-	1.22	0.20	0.43	2.43	13.44
Disposals	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2020	13.55	-	1.70	0.26	8.06	2.43	26.01
Net carrying value as of March 31, 2020	**33.28**	**0.17**	**16.26**	**3.62**	**22.96**	**113.10**	**189.40**
For the period ended March 31, 2019							
Gross Carrying Amount							
Deemed cost as at April 1, 2018	**5.50**	**0.17**	**1.12**	**0.36**	**0.94**	-	**8.09**
Additions	25.08	-	3.01	0.72	6.68	-	35.49
Disposals	(1.21)	-	(0.16)	-	-	-	(1.37)
Gross carrying value as of March 31, 2019	**29.37**	**0.17**	**3.97**	**1.08**	**7.62**	-	**42.21**
Accumulated Depreciation							
Depreciation charge during the year	4.40	-	0.48	0.06	7.63	-	12.57
Disposals	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2019	**4.40**	-	**0.48**	**0.06**	**7.63**	-	**12.57**
Net carrying value as of March 31, 2019	**24.98**	**0.17**	**3.49**	**1.02**	**-0.01**	-	**29.65**

Deemed Cost

On transition to Ind AS, the Holding Company has elected to continue with the carrying value of its Property, plant and equipment recognised as at April 1,2018 measured as per Previous GAAP and used that carrying value as the deemed cost of the Property, plant and equipment.

(Rs in Lakhs)

Particulars	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Total
Gross Block	6.28	3.45	1.21	0.38	3.70	15.02
Accumulated Depreciation	0.78	3.28	0.09	0.02	2.76	6.93
Net Block	**5.50**	**0.17**	**1.12**	**0.36**	**0.94**	**8.09**

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2020

14 **Other Intangible assets**

(Rs in Lakhs)

Particulars	Computer software	Total
For the year ended March 31, 2020		
Gross Carrying Amount		
Cost as at April 1, 2019	50.08	50.08
Additions	131.18	-
Disposals	-	-
Gross carrying value as of March 31, 2020	**181.26**	**50.08**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2019	3.11	3.11
Depreciation charge during the year	35.28	-
Disposals	-	-
Impairment loss	-	-
Accumulated depreciation as of March 31, 2020	38.39	3.11
Net carrying value as of March 31, 2020	**142.87**	**46.97**
For the period ended March 31, 2019		
Gross Carrying Amount		
Deemed cost as at April 1, 2018	3.49	3.49
Additions	46.59	46.59
Disposals	-	-
Gross carrying value as of March 31, 2019	**50.08**	**50.08**
Accumulated Depreciation		
Depreciation charge during the year	3.11	3.11
Disposals	-	-
Accumulated depreciation as of March 31, 2019	**3.11**	**3.11**
Net carrying value as of March 31, 2019	**46.97**	**46.97**

Deemed Cost

On transition to Ind AS, the Holding Company has elected to continue with the carrying value of its intangible assets recognised as at April 1,2018 measured as per Previous GAAP and used that carrying value as the deemed cost of the intangible asset

(Rs in Lakhs)

Particulars	Software	Total
Gross Block	3.83	3.83
Accumulated Depreciation	0.34	0.34
Net Block	**3.49**	**3.49**

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DHANVARSHA FINVEST LIMITED MUMBAI

15 Other non-financials assets

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Prepaid exp	25.91	12.10	6.51
Advance to vendors	1.60	0.25	1.08
Balances with statutory/government authorities	-	9.97	-
Total	27.51	22.32	7.59

16 Non-current assets held for sale

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Investment Property	-	55.33	
Total	-	55.33	-

16.1 As at March 31, 2019 ,the entity has identified certain assets to be disposed off its investment property. The entity is in the process of discussion with various potential buyers and expects the same to be disposed off within next 12 months.

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17 Payables

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade Payables			
total outstanding dues of micro enterprises and small enterprises	9.20	6.10	-
total outstanding dues of creditors other than micro enterprises and small enterprises	27.24	17.27	24.71
Total	36.44	23.37	24.71
Other Payables			
total outstanding dues of micro enterprises and small enterprises	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
Total	-	-	-

17.1 Information required to be disclosed in accordance with Micro, Small and Medium Enterprises Development Act, 2006 has been determined based on the parties identified on the basis of information available with the group, which has been relied upon by the auditors. The outstanding balance on account of principal and interest remaining unpaid to any supplier registered as small and medium enterprises under "The Micro, Small and Medium Enterprises Development (MSMED) Act 2006" is Rs. March 31 2020 : Rs. 9.20 lakhs (March 31 , 2019 : 6.10 lakhs ;April 1 , 2018: NIL). The group has not delayed in making payments to any of the parties registered as small and medium enterprises under MSMED, and there has been no interest accrued or paid in this regard.

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18 **Borrowings (Other than Debt Securities)**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
At amortised cost			
Secured			
Term Loan from Banks (Refer Note 18.1 and 18.2)	390.79	-	-
Unsecured			
Loans repayable on demand from other parties	1,056.86	2,541.32	4,015.04
Financial Lease Liability	113.10	-	-
Total (A)	1,560.75	2,541.32	4,015.04
Borrowings India	1,560.75	2,541.32	4,015.04
Borrowings outside India	-	-	-
Total (B)	1,560.75	2,541.32	4,015.04

18.1 **Maturity profile of Term loans from banks availed by the Holding Company**

Term loans from Bank are repayable in 60 Equated monthly instalments commencing from March, 2020 upto February, 2025. This loan carries an interest of 12.50% per annum.(Retail Prime Lending Non- Housing Rate + 200 bps rate)

18.2 **Details about the nature of the security**

i) First and exclusive charge by way of deed of hypothecation on specific book debts/receivables to be received from existing and prospective customer funded out of the term loans.

ii) Corporate Guarantee from Wilson Holding Private Limited (Formerly known as Truvalue Agro Ventures Private Limited)

iii) All hypothecated receivables have to be standard loans. Any receivables that is more than 90 days ,will needs to be replaced by standard receivables , so as to ensure that entire 1.1x security comprises of standard loans

iv) Irrevocable power of attorney in favour of HDFC to create mortgage/hypothecation charge in favour of HDFC over specific assets and to collect book debts directly from group in event of default by the group.

18.3 The Holding Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

19 **Other financial liabilities**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unpaid dividends	18.55	17.55	-
Employee liabilities	4.41	13.34	6.75
Creditors for Capital Expenditure	13.30	14.15	24.00
Other Financial Liabilities	-	3.15	2.21
Total	36.26	48.19	32.96

20 **Provisions**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Gratuity (Refer Note 41)	7.25	5.60	4.11
Leave Encashment (Refer Note 41)	17.59	7.37	2.89
Total	24.84	12.97	7.00

21 **Other non-financial liabilities**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Revenue received in advance	3.69	3.30	0.42
Advance from Customers and Others	0.07	18.32	3.30
Creditors for Statutory dues	37.13	35.99	13.78
Unearned Income	-	-	0.72
Advance for sale of investment property	-	30.00	-
Total	40.89	87.61	18.22

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22 Equity Share capital

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
a. Authorised Share Capital			
5,00,00,000 (March 31, 2019: 5,00,00,000 and April 1, 2018:1,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00	1,000.00
Total	5,000.00	5,000.00	1,000.00
b. Issued, Subscribed and Paid-up:			
1,35,07,756 (March 31, 2019: 1,35,00,000 and April 1, 2018:77,57,800) Equity Shares of Rs. 10 each	1,350.78	1,350.00	775.78
Total	1,350.78	1,350.00	775.78

c. Reconciliation of number of equity shares: (Rs in Lakhs)

Particulars	March 31, 2020		March 31, 2019		April 1, 2018	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	1,35,00,000	1,350.00	77,57,800	775.78	77,57,800	775.78
Issued during the year	7756	0.78	57,42,200	574.22		-
Balance as at the end of the year	1,35,07,756	1,350.78	1,35,00,000	1,350.00	77,57,800	775.78

d. Details of shareholders holding more than 5% shares in the Holding Company (Rs in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Dahiben Dwarkadas Patel	-	0.00%	4,02,000	2.98%	4,94,000	6.37%
Wilson Holding Private Limited (earlier known as "Truvalue Agro Ventures Private Limited")	76,82,200	56.87%	70,32,200	52.09%	-	0.00%
Total	76,82,200	56.87%	4,02,000.00	55.07%	4,94,000	6.37%

e. Shares of the Company held by the Ultimate Holding Company

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Wilson Holding Private Limited (earlier known as "Truvalue Agro Ventures Private Limited")	76,82,200	70,32,200	-
Total	76,82,200.00	70,32,200	-

Subsequent to approval from Board of Directors and Shareholders of Dhanvarsha Finvest Limited on July 27, 2017, BSE Limited accorded in-principle approval on October 13, 2017 and Reserve Bank of India has accorded approval for the change in shareholding and management on June 18, 2018, a preferential issue of 57,42,200 Equity Shares has been made to Wilson Holding Private Limited (earlier known as "Truvalue Agro Ventures Private Limited") on June 29, 2018.

f.Shares reseved for issues under options (Rs in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
Equity shares of Rs. 10 each reserved for issue under employee stock option scheme	18,38,562.00	183.86	11,17,710.00	111.77

g. Terms and rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company. The distribution will be proportional to the number of equity shares held by the shareholders.

h. The Holding Company has not alloted any bonus shares for the period of 5 years immediately preceding March 31, 2020.

i. Refer note 44- Capital for the Company's objectives, policies and processes for managing capital.

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23 Other Equity

(Rs in Lakhs)

Particulars	Note	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Securities premium	(i)	629.85	626.56	-
Retained Earnings	(ii)	612.16	329.70	365.03
Employee stock option outstanding reserve	(iii)	120.16	37.86	-
Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(iv)	277.38	195.64	107.12
Money received against share warrants	(v)	125.00	125.00	-
Total		1,764.53	1,314.74	472.15

(i) **Securities Premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act,2013.

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	626.56	-
Add: premium received on issue of shares	1.56	631.64
Add: Utilisation on account of exercise option	1.73	-
Share Issue Expenses	-	(5.08)
Balance at the end of the year	629.85	626.56

(ii) **Retained Earnings**

Retained Earnings are the profits of the Company earned till date net of appropriations.

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	329.70	365.03
Profit for the year	406.09	213.43
Remeasurement of defined benefit plans (net of tax)	(1.20)	2.51
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(81.74)	(88.52)
Dividends	(33.75)	(135.00)
Dividend distribution tax	(6.94)	(27.75)
Balance at the end of the year	612.16	329.70

(iii) **Employee stock option outstanding reserve**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	37.86	-
Add:Share based payment expense	84.03	37.86
Less:Transfer to securities premium on account of exercise of Options	(1.73)	-
Balance at the end of the year	120.16	37.86

(iv) **Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934**

The Company maintains statutory reserve u/s 45-IC of Reserve Bank of India Act,1934 under which a specified amount is transferred from retained earnings

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	195.64	107.12
Movement During the year	81.74	88.52
Balance at the end of the year	277.38	195.64

(V) **Money received against share warrants**

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	125.00	-
Movement During the year	-	125.00
Balance at the end of the year	125.00	125.00

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Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2020

24 Interest Income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on Loans (at amortised cost)	602.30	928.36
Other interest income (at amortised cost)	10.50	0.01
Total	**612.80**	**928.37**

25 Fees and commission income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income from Loan Services	31.40	94.28
Income from Other Services	1,229.23	767.10
Total	1,260.63	861.38

Revenue from contracts with customers

Below is the revenue from contracts with customers and reconciliation to statement of profit and loss

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Type of Services		
Fee and commission income	1,260.63	861.38
Total revenue from contract with customers	**1,260.63**	**861.38**
Geographical markets		
India	1,260.63	861.38
Outside India	-	-
Total revenue from contract with customers	**1,260.63**	**861.38**
Timing of revenue recognition		
Services transferred at a point in time	1,253.55	790.52
Services transferred over time	7.08	70.86
Total revenue from contracts with customers	**1,260.63**	**861.38**

Contract balance

Particulars	As at March 31, 2020	As at March 31, 201	As at April 1, 2018
Trade Receivables	118.17	0.65	38.39

26 Net gain on fair value changes

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(A) Net gain on financial instruments at fair value through profit or loss		
Investment in Mutual funds	8.16	-
Investment in equity instruments	-	96.69
Total Net gain	**8.16**	**96.69**
Fair Value changes:		
Realised	7.11	96.69
Unrealised	1.05	-
Total Net gain	**8.16**	**96.69**

27 Others

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Penal Interest	25.49	13.46
Bouncing Charges	1.95	-
Other Charges	1.54	3.34
Total	28.98	16.80

28 Other Income

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rent Income	1.10	7.30
Net gain/(loss) on derecognition of property, plant and equipment and investment property	4.67	0.00
Gain on Foreign Currency Transactions	0.04	-
Recovery from written off accounts	13.00	-
Miscellaneous Income	-	18.78
Total	18.81	26.08

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2020

29 Finance costs

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on Loans	163.61	507.92
Interest on Lease Liabilities	2.17	-
Interest on taxes	2.81	9.75
Total	168.59	517.67

30 Fees and commission expense

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Commission	0.79	0.96
Total	0.79	0.96

31 Impairment on financial instruments

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Loans	21.27	141.63
Bad Debts	12.40	148.59
Total	33.67	290.22

The table below shows the ECL charges on financial instruments for the year recorded in the profit and loss based on evaluation stage:

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020			
	Stage 1	Stage 2	Stage 3	Total
Debt instruments measured at Amorised Cost (Loans)	(79.82)	125.40	(24.31)	21.27
Total impairment loss	(79.82)	125.40	(24.31)	21.27

(Rs in Lakhs)

Particulars	For the year ended March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total
Debt instruments measured at Amorised Cost (Loans)	(1.43)	25.97	117.09	141.63
Total impairment loss	(1.43)	25.97	117.09	141.63

MUMBAI

MUMBAI

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2020

32 Employee Benefits Expenses

(Rs in Lakhs)

Salaries and wages	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	576.85	453.84
Gratuity Expenses (Refer Note 41)	5.60	4.96
Contribution to provident and other funds	25.59	13.86
Share Based Payments to employees	84.03	37.86
Staff welfare expenses	9.77	5.92
Total	**701.84**	**516.44**

33 Depreciation, amortization and impairment

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment (Refer Note 13)	13.44	12.57
Depreciation of Investment Properties (Refer Note 12)	-	0.92
Amortization of intangible assets (Refer Note 14)	35.28	3.11
Total	**48.72**	**16.60**

34 Others expenses

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Legal and Professional Fee	148.99	107.85
Power and Fuel	6.65	4.91
Rent, Rates and Taxes	68.59	97.74
Director's Sitting Fee	40.05	35.65
Bad Debts	-	-
Brokerage and Service Charge	2.68	0.43
Repairs	4.36	0.86
Travelling and Conveyance	26.78	19.90
Insurance	13.29	7.27
Loss on Foreign Currency Transactions	-	0.02
Printing and Stationery	4.13	3.38
GST Expenses	32.10	24.28
Auditor fees and expenses (Refer Note 34.1)	11.78	6.15
Annual Maintenance Charges	15.26	16.44
Other expenditure	46.81	19.84
Total	**421.47**	**344.72**

34.1 Auditor fees and expenses

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Statutory audit of Company	6.68	3.00
Limited Review	3.50	2.00
Taxation matters	1.00	0.50
In other capacity	0.60	0.50
Reimbursement of expenses	-	0.15
Total	**11.78**	**6.15**

MUMBAI

MUMBAI

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2020

35 Income tax expense

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
Current tax on profits for the period	172.52	121.98
Adjustments for current tax of prior periods	(7.32)	-
Mat credit entitlement (Refer Note11)	-	(15.35)
Total Current Tax	**165.20**	**106.63**
Deferred tax expense (income)		
Decrease in deferred tax assets (Refer Note 11)	(16.99)	(77.35)
Total deferred tax expense/(benefit)	**(16.99)**	**(77.35)**
Total tax expense	**148.20**	**29.28**

35.1 Reconciliation of effective tax rate:

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit/(Loss) before income tax expense	554.30	242.71
Enacted income tax rate in India applicable to the Company 27.82% (2016-2017 – 27.82%)	154.20	67.52
Tax effect of:		
Permanent Disallowances	-	(11.12)
Deferred tax assets not created on OCI	(0.46)	0.97
Long term capital gain on sale of property	(1.30)	-
Difference in tax rates for short term capital gains	(0.81)	-
Others	3.88	0.40
Tax in respect of earlier period	(7.32)	-
Difference due to differential Tax rates	-	-
MAT Credit	-	(28.49)
		-
Total tax expense	**148.20**	**29.28**
Effective tax rate	26.74	12.06

35.2 Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity.

MUMBAI

MUMBAI

36 Earnings per share

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit attributable to the equity holders of the Holding Company (A) (INR in Crores)	406.09	213.43
Weighted Average number of shares issued for Basic EPS (B)	1,35,01,208	1,20,84,115
Adjustment for calculation of Diluted EPS (c)	8,41,430.59	4,60,966
Weighted Average number of shares issued for Diluted EPS (D= B+C)	1,43,42,638	1,25,45,081
Basic EPS in Rs.	3.01	1.77
Diluted EPS in Rs.	2.83	1.70

During the year March 2019, the Holding Company has allotted 7,75,200 Warrants of face value of Rs.10/- each at a price of Rs.64.50 per Warrant (including Rs.54.50 towards share premium), to M/s. Wilson Holdings Private Limited, against receipt of 25% of the Warrant subscription amount. The remaining 75% of the Warrant subscription amount can be paid within a period of eighteen (18) months from the date of allotment of Warrants. These warrants are not counted in Weighted average number of Equity Shares used for calculation of diluted Earning per Share, as they are anti-dilutive.

37 Contingent liabilities & commitments

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Income Tax matters under dispute	65.99	65.99	-
Commitments			
a) Capital commitments	18.97	65.95	27.30
(Estimated amount of contracts remaining to be executed on capital account and not provided for)			
Total Commitments	18.97	65.95	27.30

38 The Reserve Bank of India has issued Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and various other circulars, where-in criteria of principal business was defined in terms of asset-income criteria to be as an NBFC. During the year, the Holding Company has financial assets which is more than 50% of its total assets and income from financial asset is lower than 50%. There reason for interest income being less than required threshold is mainly due to the lack of credit availability in the NBFC space since the NBFC Credit crisis in September 2018 due to which the Holding Company developed streams of income from sell down and syndication which contributed to fee income. While non-interest income increased significantly in this time frame, the Holding Company also emphasized on reducing the ticket size of loans and increasing borrowing count significantly which is evident in the number of borrowers that has almost doubled from 225 in March 2019 to 403 in March 2020. With sanctioning of debt lines from Jan 2020 coupled with the recent infusion of equity capital from the promoter of Holding Company in April 2020, the Holding Company is confident of achieving much higher income from the Financial Assets going forward.

39 Derivatives

The Holding Company has no transactions / exposure in derivatives in the current and previous year. The Holding Company has no unhedged foreign currency exposure as on March 31, 2020 (March 31, 2019: Nil).

40 Uncertainties relating to the Global Health Pandemic from COVID-19 ("Covid-19")

COVID-19 which has been declared a global pandemic continues to spread across the globe and has led to an unprecedented level of disruption on socio-economic activities. The Government of India had announced a series of lock-down from March 24, 2020 which was extended until early June 2020. Because of economic disruption, RBI released guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020, and May 23 2020. In accordance with those guidelines, the Holding Company is granting a moratorium to borrowers on the payment of all instalments and / or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers based on the requests. Accordingly, for all such accounts where moratorium has been granted, the number of days past-due shall exclude the moratorium period for the purposes of asset classification under the Income Recognition, Asset Classification and Provisioning norms as well as for staging of those accounts for impairment loss allowance under Ind AS.

The recent directions from the Government allows for gradual withdrawal of lockdown and partial resumption of economic activity. However, major economic centres are still continuing to be under partial lockdown. There is a high level of uncertainty about the duration of the time required for life and business to get normal. The extent to which COVID-19 pandemic will impact the Group's operations and financial results is dependent on the future developments, which are highly uncertain, including among many the other things, any new information concerning the severity of the pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Group.

In preparing the acCompanying financial statements, the Group's management has been required to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, equity, income and expenses. These estimates and associated assumptions, especially for impairment loss allowance under Ind AS 109 of the Holding Company's loans, are based on historical experience and various other factors including the possible effects that may result from the pandemic. These estimates and associated assumptions are believed to be reasonable under the current circumstances. In the event the impacts are more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of the loans, the financial position and performance of the Holding Company.

MUMBAI

MUMBAI

41 **Employee benefits**

During the year ended March 31, 2020, there are no employee benefits paid by the subsidiary Company hence disclosure below pertains only to the Holding Company

(a) **Long term employee benefit obligations**

The compensated absences charge for the year ended March 31, 2020 of Rs 12.77 lakhs (March 31, 2019 Rs 5.24 lakhs) has been charged in the Statement of Profit and Loss.

The liability for compensated absences based on actuarial valuation amounting as at the year ended March 31, 2020 is 17.59 lakhs (March 31, 2019 : Rs. 7.37 lakhs ; April 01, 2018: Rs 2.89 lakhs)

(b) **Post Employment Obligations**

I. **Defined contribution plans**

The Holding Company has classified the various benefits provided to employees as under:

a. Provident Fund

b. Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner . Under the schemes, the Holding Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income Tax authorities.

The expense recognised during the period towards defined contribution plan -

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Contribution to Provident Fund	18.85	9.02
Contribution to Employees' Pension Scheme 1995	6.75	4.84

II. **Defined benefit plans**

Gratuity

The Holding Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs 20 lakhs. The gratuity plan is a funded plan.

The Holding Company has a defined benefit plan in India (Funded). The Holding Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The Fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year , there are no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by Rule 103 of Income Tax Rules, 1962

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(Rs in Lakhs)

Sr No	Defined benefit plans	For the year ended March 31, 2020	For the year ended March 31, 2019
		Gratuity (funded)	Gratuity (Unfunded)
I	**Expenses recognised in statement of profit and loss during the year:**		
	Current service cost	5.20	4.64
	Past service cost	-	-
	Expected return on plan assets	-	-
	Net interest cost / (income) on the net defined benefit liability / (asset)	0.39	0.32
	Total expenses	**5.59**	**4.96**

MUMBAI

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II	**Expenses recognised in other comprehensive income**		
	Actuarial (gains) / losses due to demographic assumption changes in defined benefit obligations	-	(2.58)
	Actuarial (gains) / losses due to financial assumption changes in defined benefit obligations	1.09	0.35
	Actuarial (gains)/ losses due to experience on defined benefit obligations	0.64	(1.25)
	Return on plan assets excluding Interest income	(0.08)	-
	Total expenses	**1.66**	**(3.48)**
III	**Net asset /(liability) recognised as at balance sheet date:**		
	Present value of defined benefit obligation	(12.92)	(5.60)
	Fair value of plan assets	5.67	-
	Funded status [surplus / (deficit)]	**(7.25)**	**(5.60)**
IV	**Movements in present value of defined benefit obligation**		
	Present value of defined benefit obligation at the beginning of the year	5.60	4.11
	Current service cost	5.20	4.65
	Past service cost	-	-
	Interest cost	0.39	0.32
	Actuarial (gains) / loss	1.73	(3.48)
	Benefits paid		
	Present value of defined benefit obligation at the end of the year	**12.92**	**5.60**
V	**Movements in fair value of the plan assets**		
	Opening fair value of plan assets	-	-
	Expected returns on plan assets		
	Expected returns on plan assets excluding Interest income	0.07	-
	Actuarial (gains) / loss on plan assets		
	Contribution from employer	5.60	-
	Benefits paid		
	Closing fair value of the plan asset	**5.67**	-
VI	**Maturity profile of defined benefit obligation**		
a	**Funding arrangements and funding policy**		
	The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company		
b	The average outstanding term of the obligations (years) as at valuation date is 4 years		
	Expected cash flows over the next (valued on undiscounted basis):		
	1st Following Year	0.03	-
	2nd Following Year	0.02	-
	3rd Following Year	0.89	-
	4th Following Year	1.89	-
	5th Following Year	1.98	-
	Sum of Years 6 To 10	7.32	-
	Sum of Years 11 and above	9.10	-

VII	**Quantitative sensitivity analysis for significant assumptions is as below:**		
1	Increase / (decrease) on present value of defined benefit obligation at the end of the year	12.92	5.60
	(i) +1% increase in discount rate	(0.92)	(0.42)
	(ii) -1% decrease in discount rate	1.04	0.47
	(iii) +1% increase in rate of salary increase	0.96	0.45
	(iv) -1% decrease in rate of salary increase	(0.88)	(0.41)
	(v) +1% increase in rate of Emplyoee Turnover	(0.56)	(0.28)
	(vi) -1% decrease in rate of Emplyoee Turnover	0.60	0.30

MUMBAI

MUMBAI

2 **Sensitivity analysis method**

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

VIII **Risks associated with defined benefit plan**

Gratuity is a defined benefit plan and the Holding Company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance group and a default will wipe out all the assets. Although probability of this is very less as insurance Companies have to follow regulatory guidelines.

X **Composition of plan assets**

Qualifying policy with Tata AIA Life Insurance Holding Company Limited	100%	NA

XI **Asset liability matching strategies**

The Holding Company contributes to the insurance policy based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer..

XII	Actuarial assumptions:	As at March 31, 2020	As at March 31, 2019
1	Expected Return on Plan Assets	5.76%	NA
2	Discount rate	5.76%	6.96%
3	Expected rate of salary increase	10.00%	10.00%
4	Rate of Employee Turnover	18.00%	18.00%
5	Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
6	Mortality	NA	NA

Notes:

a) The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The Holding Company expects to make a contribution of Rs.17.41 lakhs to the defined benefit plans (gratuity - funded) during the next financial year.

e) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 9 years.

MUMBAI

42 **Segment Reporting**

Operating segment are components of the group whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") of the Company to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group operates in a two reportable business segment i.e. Fund Based Activities and Advisory Services, which has similar risks and returns for the purpose of Ind AS 108 – "Operating segments".

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED		
Segment Revenue		
Fund Based Activities	1,677.06	1,134.66
Advisory Services	233.51	768.58
Total	**1,910.57**	**1,903.24**
Less : Inter Segment Revenue	-	-
Revenue from Operations	**1,910.57**	**1,903.24**
Segment Results		
Profit before Tax from each segment :		
Fund Based Activities	512.99	(402.20)
Advisory Services	93.27	641.90
Total	**606.26**	**239.70**
Add: Other Un-allocable Income net of Expenditure	(49.16)	3.01
Profit before Tax	**557.10**	**242.71**
Less: Income taxes	151.01	29.28
Profit after Tax	**406.09**	**213.43**
Capital Employed		
Segment Assets		
Fund Based Activities	4,239.45	4,761.22
Advisory Services	29.67	19.98
Unallocated	578.66	597.00
Total	**4,847.78**	**5,378.20**
Segment Liabilities		
Fund Based Activities	1,664.73	2,636.14
Advisory Services	15.91	26.62
Unallocated	51.83	50.70
Total	**1,732.47**	**2,713.46**
Capital Expenditure		
Fund Based Activities	252.76	99.67
Advisory Services	23.88	13.13
Depreciation and Amortisation		
Fund Based Activities	46.43	11.03
Advisory Services	0.29	4.65
Unallocated	-	0.92
Finance Cost		
Fund Based Activities	165.78	507.92
Advisory Services	-	-
Unallocated	2.81	9.75
Other non-cash expenditure		
Fund Based Activities	33.67	290.22
Advisory Services	-	-

Geographic Segment

All the assets of the Group and source of revenue of the Group is within India and hence, no separate geographical segment is identified.

Information about major customers

44.51% of the Group's total revenue is represented by one single external customer during the year ended March 31, 2020 (March 31, 2019.: 38.09%)

MUMBAI

DHANVARSHA FINVEST LIMITED MUMBAI

43 **Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

(Rs in Lakhs)

Assets	As at March 31, 2020			As at March 31, 2019			As at April 1, 2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financials Assets									
Cash and cash equivalents	170.84	-	170.84	362.54	-	362.04	250.56	-	250.56
Bank balances other than cash and cash equivalents	177.94	-	177.94	17.55	-	17.55	-	-	-
Receivables									
(i)Trade Receivables	118.17	-	118.17	0.65	-	0.65	38.39	-	38.39
(ii)Other Receivables	-	-	-	-	-	-	-	-	-
Loans*	562.03	2,723.49	3,285.52	1,015.35	3,501.12	4,516.47	835.39	3,794.63	4,630.02
Investments	128.41	-	128.41	-	-	-	257.91	-	257.91
Other Financials Assets	334.52	5.37	339.89	0.01	1.53	1.54	0.05	0.03	0.08
Non Financials Assets									
Current Tax Assets (Net)	-	41.67	41.67	-	37.71	37.71	-	-	-
Deferred Tax Assets (Net)	-	188.21	188.21	-	222.90	222.90	-	131.16	131.16
Investment Property	-	-	-	-	-	-	-	56.25	56.25
Property, Plant and Equipment	-	189.40	189.40	-	29.63	29.63	-	8.09	8.09
Capital work -in- progress	-	25.84	25.84	-	-	-	-	-	-
Intangible assets under development	-	11.51	11.51	-	65.07	65.07	-	34.36	34.36
Other Intangible assets	-	142.87	142.87	-	46.97	46.97	-	3.49	3.49
Other non-financials assets	24.55	2.96	27.51	22.32	-	22.32	7.59	-	7.59
Non-current assets and disposal group held for sale	-	-	-	55.33	-	55.33	-	-	-
Total Assets	1,516.47	3,331.31	4,847.78	1,473.25	3,904.95	5,378.20	1,389.52	4,028.03	5,417.92

* The maturity profile disclosed above does not factor in the effect of changes due to postponement of cash flows on account of loans under moratorium period as permitted under RBI's COVID-19 Regulatory Package notified on 27 March, 2020 and May 23, 2020

(Rs in Lakhs)

Liabilities	Sunday, March 31, 2019			Saturday, March 31, 2018			Saturday, April 1, 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Liabilities									
Payables									
I)Trade payables	36.44	-	36.44	23.36	-	23.36	24.71	-	24.71
II)Other payables	-	-	-	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	1,126.20	434.55	1,560.75	2,541.32	-	2,541.32	4,015.04	-	4,015.04
Other financial liabilities	36.26	-	36.26	46.19	-	46.19	32.96	-	32.96
Non-Financial Liabilities									
Current tax liabilities(Net)	33.29	-	33.29	-	-	-	72.06	-	72.06
Provisions	11.74	13.10	24.84	2.08	10.89	12.97	0.40	6.60	7.00
Other non-financial liabilitie	40.89	-	40.89	87.61	-	87.61	18.22	-	18.22
Total Liabilities	1,284.82	447.60	1,732.47	2,702.57	10.89	2,713.46	4,162.39	6.60	4,169.99

Net	231.65	2,883.66	3,115.31	(1,229.32)	3,894.06	2,664.74	(2,773.47)	4,021.40	1,247.93

44 Capital Management

The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2020, March 31, 2019 and as at April 1, 2018.The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Group's adjusted net debt to equity ratio is as follows.

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Debt	1,560.75	2,541.32	4,015.04
Less: cash and cash equivalents	(170.84)	(382.04)	(250.58)
Less: Bank balances other than cash and cash equivalents	(177.94)	(17.55)	-
Adjusted net debt	**1,211.97**	**2,151.73**	**3,764.46**
Total Equity	3,115.31	2,664.74	1,247.93
Adjusted net debt to adjusted equity ratio	0.39	0.81	3.02

45 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

46 Change in liabilities arising from financing activities

(Rs in Lakhs)

Particulars	April 1,2019	Cash Flows	Changes in fair values	Exchange difference	Other	March 31,2020
Debt securities Borrowings other than debt securities Deposits	2,541.32	(1,096.10)	-	-	115.53	1,560.75
Total liabilities from financing activities	2,541.32	-1,096.10	-	-	115.53	1,560.75

(Rs in Lakhs)

Particulars	April 1,2018	Cash Flows	Changes in fair values	Exchange difference	Other	March 31,2019
Debt securities Borrowings other than debt securities Deposits	4,015.04	(1,473.72)	-	-	-	2,541.32
Total liabilities from financing activities	4,015.04	(1,473.72)	-	-	-	2,541.32

Other column includes creation of finance lease liabilities

47 Related Party Disclosures

A. Names of related parties and nature of relationship:

Description of relationship	Name of the related party
Parent Company	M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)
Fellow Subsidiary	Wilson Financial Services Private Limited (from July 31, 2018) (Wholly owned Subsidiary of Wilson Holdings Private Limited)
Key Management Personnel (KMP)	Mrs. Arunaben Girishkumar Shah, Independent Director (upto August 24, 2018)
	Mr. Dharmil Shah, Independent Director (upto August 24, 2018)
	Mr. Malay Rohitkumar Bhow, Whole-time Director (upto August 10, 2018)
	Mr. Karan Neale Desai, Joint Managing Director
	Mr. Ashish Sharad Dalal, Non-Executive Director
	Mr. Nirmal Vinod Momaya, Independent Director
	Mr. K. P. Raghuvanshi, Independent Director
	Mrs. Manjari Kacker, Independent Director
	Mr. Rakesh Sethi, Chairman and Independent Director (w.e.f. October 15, 2019)
	Mr. Rajiv Kapoor, Independent Director (w.e.f. Febuary 03, 2020)
	Mr. Surender K Behera, Independent Director (upto December 17, 2019)
	Mr. Rohanjeet Singh Juneja, Joint Managing Director (w.e.f. December 17, 2019)
	Mr. Narendra Kumar Tater, Chief Financial Officer
	Mr. M Vijay Mohan Reddy, Company Secretary
	Mr. Dhairya Kumar Thakkar, Company Secretary (upto August 10, 2018)
	Mr. Nimir Kishore Mehta, Non-Executive Chairman (upto December 15, 2019)
Other Related Parties	Mr. Nimir Kishore Mehta (Promoter of Wilson Holdings Private Limited)
	Prolific Ventures Pvt Ltd (Relative of Promoter Having Significant Influence)

B. Details of related party transactions:

(Rs in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2020	For the year ended March 31, 2019
Key Management Personnel (KMP)			
Mr. Karan Neale Desai	Remuneration to key management personnel*	67.27	47.99
	Reimbursement of expenses	5.18	4.25
Mr. Narendra Kumar Tater	Remuneration to key management personnel*	36.49	39.24
	Reimbursement of expenses	4.79	1.84
Mr. Vijay Mohan Reddy	Remuneration to key management personnel*	24.28	25.29
	Reimbursement of expenses	5.93	5.16
Mr. Dhairya Kumar Thakkar	Remuneration to key management personnel*	-	1.04
Mr. Rohanjeet Singh Juneja	Remuneration to key management personnel*	17.89	-
	Reimbursement of expenses	1.55	-
Mr. Ashish Sharad Dalal	Sitting Fees and Commission	7.00	7.63
Mr. Nirmal Vinod Momaya	Sitting Fees and Commission	7.00	8.63
Mr. K. P. Raghuvanshi	Sitting Fees and Commission	5.25	5.13
Mrs. Manjari Kacker	Sitting Fees and Commission	5.25	5.13
Mr. Dharmil Shah	Sitting Fees and Commission	(1.35)	1.45
Ms. Arunaben Girishkumar Shah	Sitting Fees and Commission	(1.35)	1.50
Mr. Surender K Behera	Sitting Fees and Commission	5.00	-
Mr. Rakesh Sethi	Sitting Fees and Commission	4.25	-
Mr. Rajiv Kapoor	Sitting Fees and Commission	1.00	-
Mr. Nimir Kishore Mehta	Sitting Fees and Commission	1.00	2.13
Other Related Parties			
Mr. Nimir Kishore Mehta	Rent paid	60.00	60.00
	Reimbursement of expenses	0.72	0.72
Prolific Ventures Pvt Ltd	Rent paid	4.80	-
	Security Deposit	6.90	-
Parent Company			
M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)	Interest expense	156.00	307.93
	Issuance of share warrants	-	125.00
	Loans given	-	1,310.00
	Loans Repaid	1,420.00	3,365.00
Fellow Subsidiary			
Wilson Financial Services Private Limited (from July 31, 2018) (Wholly owned Subsidiary of Wilson Holdings Private Limited)	Rent income	1.20	7.30
	Sale of Fixed Assets	-	1.21
	Reimbursement of expenses	-	0.26

C. Details of balances outstanding for related party transactions:

(Rs in Lakhs)

Name of the related party	Nature of Transaction	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Parent Company				
M/s. Wilson Holdings Private Limited (Formerly known as M/s. Truvalue Agro Ventures Private Limited)	Short Term borrowing**	1,030.00	2,450.00	-
Key Management Personnel (KMP)				
Mr. Ashish Sharad Dalal	Sitting Fees and Commission	-	0.63	-
Mr. Nirmal Vinod Momaya	Sitting Fees and Commission	-	0.63	-
Mr. K. P. Raghuvanshi	Sitting Fees and Commission	-	0.63	-
Mrs. Manjari Kacker	Sitting Fees and Commission	-	0.63	-
Mr. Karan Neale Desai	Reimbursement of expenses	1.12	-	-
Mr. Rohanjeet Singh Juneja	Reimbursement of expenses	0.46	-	-
	Sitting Fees and Commission	-	0.63	-
Mr. Nimir Kishore Mehta	Reimbursement of expenses	-	0.06	-

*As the future liability for gratuity and compensated absences is provided on an actuarial basis for the group as a whole, the amount pertaining to individual is not ascertainable and therefore not included above

D. Key management personnel compensation:

(Rs in Lakhs)

Nature of Transaction	For the year ended March 31, 2020	For the year ended March 31, 2019
Short term Employee Benefits *	-	-
Share Based Payment	76.99	21.51
Total	**76.99**	**21.51**

* As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the group as a whole, the amounts pertaining to key managerial personnel and relative of key managerial personnel are not included above.

E. The options granted and outstanding for the key managerial personnel as of March 31, 2020 and March 31, 2019 is as provided below:

Name of the KMP	Grant Date	Expiry date	Exercise Price	Shares outstanding	
				Mar-20	Mar-19
Mr. Karan Neale Desai	05/11/2018	04/11/2025	30.00	3,83,409	3,83,409
Mr. Narendra Kumar Tater	05/11/2018	04/11/2025	30.00	1,93,861	1,93,861
Mr. Vijay Mohan Reddy	05/11/2018	04/11/2025	30.00	69,700	77,555
Mr. Karan Neale Desai	17/12/2019	16/12/2026	50.00	2,36,511	-
Mr. Rohanjeet Singh Juneja	17/12/2019	16/12/2026	50.00	5,00,933	-
Total				14,83,914	6,54,825

F. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

40 Fair Value Measurement

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs in Lakhs)

Financial Assets and Liabilities as at March 31, 2020	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	170.84	170.84	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	177.94	177.94	-	-	-	-
Receivables				-				
Trade Receivables	-	-	118.17	118.17	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-
Loans	-	-	3,285.52	3,285.52	-	-	-	-
Investments	128.41	-	-	128.41	128.41	-	-	128.41
Other Financials Assets	-	-	339.89	339.89	-	-	-	-
	128.41	-	4,092.36	4,220.77	128.41	-	-	128.41
Financial Liabilities								
Payables								
Trade payables	-	-	36.44	36.44	-	-	-	-
Other payables	-	-	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	1,360.75	1,360.75	-	-	-	-
Other financial liabilities	-	-	36.26	36.26	-	-	-	-
	-	-	1,433.45	1,433.45	-	-	-	-

(Rs in Lakhs)

Financial Assets and Liabilities as at March 31, 2019	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	362.04	362.04	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	17.55	17.55	-	-	-	-
Receivables								
Trade Receivables	-	-	0.66	0.66	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-
Loans	-	-	4,316.47	4,316.47	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Other Financials Assets	-	-	1.54	1.54	-	-	-	-
	-	-	4,698.26	4,698.26	-	-	-	-
Financial Liabilities								
Payables								
Trade payables			23.37	23.37	-	-	-	-
Other payables	-	-	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	2,841.32	2,841.32	-	-	-	-
Other financial liabilities	-	-	48.19	48.19	-	-	-	-
			2,912.88	2,912.88	-	-	-	-

(Rs in Lakhs)

Financial Assets and Liabilities as at April 1, 2018	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								-
Cash and cash equivalents	-	-	250.58	250.58	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-
Receivables								
Trade Receivables	-	-	38.39	38.39	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-
Loans	-	-	4,630.02	4,630.02	-	-	-	-
Investments	257.91	-	-	257.91	257.91	-	-	257.91
Other Financials Assets	-	-	0.06	0.06	-	-	-	-
	257.91	-	4,919.05	5,176.96	257.91	-	-	257.91
Financial Liabilities								
Payables								
Trade payables	-	-	24.71	24.71	-	-	-	-
Other payables	-	-	-	-	-	-	-	-
Debt Securities	-	-	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	4,615.04	4,615.04	-	-	-	-
Other financial liabilities	-	-	32.96	32.96	-	-	-	-
	-	-	4,672.71	4,672.71	-	-	-	-

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a. The carrying amounts of trade receivables, trade payables, other receivables, cash and cash equivalent including other bank balances , other financials assets and other financial liabilities , etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b. Financial instruments with fixed interest rates are evaluated by the group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances if required, are taken to account for expected losses of these instruments.Thus, Amortised cost shown in A. above, is after adjusting ECL amount.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period..

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Company-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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49 **Financial Risk Management**

The Group has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Group. Together they help in achieving the business goals and objectives consistent with the Group's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Group's financial risk management is an integral part of how to plan and execute its business strategies.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

(A) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of busines.

Summary of the Group's exposure to credit risk by age of the outstanding from various customers is as follows:

(' in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01 , 2018
Outstanding for a period not exceeding six months	118.17	0.65	38.39
Outstanding for a period exceeding six months	-	-	-
Gross Trade Receivables	**118.17**	**0.65**	**38.39**
Less: Impairment Loss	-	-	-
Net Trade Receivables	**118.17**	**0.65**	**38.39**

On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss. The Group computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and the Group's historical experience for customers. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

ii) Loans and financial assets measured at amortized cost

The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due -

(' in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01 , 2018
0-30 Days Past Due			
Secured	2,222.04	3,466.95	4,423.79
Unsecured	773.82	1,095.01	444.35
30-90 Days Past due			
Secured	485.04	77.32	-
Unsecured	35.94	-	-
More than 90 Days Past Due			
Secured	201.88	294.22	-
Unsecured	25.09	-	37.26
Total	3,723.81	4,933.49	4,905.41

The Company reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the Holding Company is into small ticket loan business, there is no significant credit risk of any individual customer that may impact Holding Company adversely, and hence the Holding Company has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Holding Company categorizes loan assets into stages primarily based on the Months Past Due status.

Stage 1 : 0-30 days past due
Stage 2 : 31-90 days past due
Stage 3 : More than 90 days past due

(i) RBI COVID-19 regulatory package

In accordance with the Reserve Bank of India (RBI) notification no. RBI/2019-20/186 DOR.No.BP. BC.47/21.04.048/2019-20 dated 27th March, 2020 and RBI/2019-20/220 DOR.No.BP. BC.63/21.04.048/2020-21 dated April 17, 2020 relating to 'COVID-19 - Regulatory Package', the Holding Company, as per its board approved policy and ICAI advisories, has granted moratorium upto three months on the payment of installments falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers. And in respect of accounts overdue but standard (i.e. stage 1 and stage 2) at 29 February 2020 where moratorium benefit has been granted, for the purpose of staging of those accounts and for determination of impairment loss allowance as at 31 March 2020, the days past due status as on 29 February 2020 has been considered.

(ii) Definition of default
The Holding Company considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

(iii) Exposure at default
"Exposure at Default" (EAD) represents the gross carrying amount of the assets subject to impairment calculation.

(iv) Estimations and assumptions considered in the ECL mode
An impairment analysis is performed at each reporting date. Impairment loss has been calculated based on EAD* Probability of Default (PDs)* Loss given Default (LGDs).
Internal rating model incorporates both qualitative and quantitative information and, in addition to information specific to the borrower, utilise supplemental external information that could affect the borrower's behaviour.
Probability of Default (PDs): As there is no established past trend available with the Group for its own portfolio for calculation of probability of default, the Group has computed PD's from risk assessment of borrowers and default history. PDs are then adjusted for Ind AS 109 ECL calculations to incorporate forward looking information and the Ind AS 109 Stage classification of the exposure. For the purpose of Stage 3, PDs are taken as 100%.

Loss given Default (LGDs): For the purpose of LGD calculation, the Group does not have its own default and recovery history. Hence, in case of Secured loan portfolio, LGD has been considered based on Minimum LGD prescribed on real estate property security in RBI Circular RBI/2011-12/311 DBOD.No.BP.BC.67/21.06.202/2011-12 dated December 22, 2011 . Currently, all loan portfolio are secured by property has been taken as 50% for the same.

In case of unsecured investments, LGD is considered at 75%, since there is no past history of recovery available and forward looking information of no circumstances of recovery in future based on current position of such investee Companies.

(v) Policy for write off of Loan assets
The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Holding Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Holding Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets under "Other Income " in Statement of profit and loss.

An analysis of changes in the gross carrying amount and the corresponding ECLs as follows :

Gross exposure reconciliation

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1, 2018	4,868.15	-	37.26	4,905.41
New loans originated during the year	1,894.91	-	-	1,894.91
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(75.50)	75.50	-	-
Transfers to Stage 3	(280.89)	-	280.89	-
Write-offs	(103.17)	-	(35.91)	(139.08)
Net remeasurement of exposure	(1,741.56)	1.82	11.98	(1,727.76)
Gross carrying amount balance as at March 31, 2019	4,561.95	77.32	294.22	4,933.49
New loans originated during the year	874.33	-	-	874.33
Transfers to Stage 1	40.11	(40.11)	-	-
Transfers to Stage 2	(451.92)	506.08	(54.16)	-
Transfers to Stage 3	(86.77)	(34.24)	121.01	-
Write-offs	(2.81)	-	(9.58)	(12.40)
Net remeasurement of exposure	(1,939.04)	(8.09)	(124.50)	(2,071.63)
Gross carrying amount balance as at March 31, 2020	2,995.86	500.98	226.97	3,723.81

Reconciliation of ECL balance

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL Allowance- Opening Balance as at April 1, 2018	247.45	-	27.95	275.39
New loans originated during the year	110.42	-	-	110.42
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(3.61)	3.61	-	-
Transfers to Stage 3	(13.41)	-	13.41	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(94.83)	22.36	103.68	31.21
ECL Allowance- Closing Balances as on March 31, 2019	246.02	25.96	145.04	417.02
New loans originated during the year	60.28	-	-	60.28
Transfers to Stage 1	14.02	(14.02)	-	-
Transfers to Stage 2	(22.74)	49.82	(27.08)	-
Transfers to Stage 3	(4.86)	(11.95)	16.80	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(126.53)	101.55	(14.04)	(39.01)
ECL Allowance- Closing Balances as on March 31, 2020	166.20	151.36	120.73	438.29

iii. Cash and bank balances
The Group held cash and cash equivalent and other bank balance of Rs. 348.78 lakhs at March 31, 2020 (March 31, 2019: Rs. 370.59 lakhs; April 1, 2018: Rs 250.57 lakhs). The same are held with bank and financial institution counterparties with good credit rating. Also, Group invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the Group to credit risk.

iv. Others
Apart from trade receivables, loans and cash and bank balances , the Group has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows

(i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial assets and liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

(Rs. In lakhs)

Contractual maturities of financial assets March 31, 2020	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	170.84	-	-	170.84
Bank balances other than cash and cash equivalents	177.94	-	-	177.94
Receivables				
Trade Receivables	118.17	-	-	118.17
Other Receivables	-	-	-	-
Loans	616.91	901.88	2,210.17	3,728.96
Investments	128.41	-	-	128.41
Other Financials Assets	334.52	8.45	0.19	343.16
Total	**1,546.79**	**910.33**	**2,210.36**	**4,667.48**
Contractual maturities of financial liabilities March 31, 2020	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	36.44	-	-	36.44
Other payables	-	-	-	-
Borrowings (Other than Debt Securities)	1,185.55	271.18	285.18	1,741.91
Other financial liabilities	36.26	-	-	36.26
Total	**1,258.25**	**271.18**	**285.18**	**1,814.61**

(Rs. In lakhs)

Contractual maturities of financial assets March 31, 2019	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	362.04	-	-	362.04
Bank balances other than cash and cash equivalents	17.55	-	-	17.55
Receivables				
Trade Receivables	0.65	-	-	0.65
Other Receivables	-	-	-	-
Loans	1,091.16	1,428.52	2,424.45	4,944.13
Investments	-	-	-	-
Other Financials Assets	0.01	1.50	0.03	1.54
Total	**1,471.40**	**1,430.02**	**2,424.48**	**5,325.91**
Contractual maturities of financial liabilities March 31, 2019	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	23.37	-	-	23.37
Other payables	-	-	-	-
Borrowings (Other than Debt Securities)	2,541.32	-	-	2,541.32
Other financial liabilities	48.19	-	-	48.19
Total	**2,612.88**	**-**	**-**	**2,612.88**

(Rs. In lakhs)

Contractual maturities of financial assets April 1, 2018	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	250.58	-	-	250.58
Bank balances other than cash and cash equivalents	-	-	-	-
Receivables				
Trade Receivables	38.39	-	-	38.39
Other Receivables	-	-	-	-
Loans	900.00	2,209.08	1,812.14	4,921.22
Investments	257.91	-	-	257.91
Other Financials Assets	0.05	-	0.03	0.08
Total	**1,446.94**	**2,209.08**	**1,812.17**	**5,468.19**
Contractual maturities of financial liabilities April 1, 2018	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	24.71	-	-	24.71
Other payables	-	-	-	-
Borrowings (Other than Debt Securities)	4,015.04	-	-	4,015.04
Other financial liabilities	32.96	-	-	32.96
Total	**4,072.71**	**-**	**-**	**4,072.71**

(C) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.The Group's exposure to, and management of, these risks is explained below.

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group caters mainly to the Indian Market . Most of the transactions are denominated in the Group's functional currency i.e. Rupees. Hence the Group is not materially exposed to Foreign Currency Risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Holding Company's exposure to the risk of changes in market interest rates relates primarily to the Holding Company's long term debt obligation at floating interest rates. The Holding Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. There are no borrowings in the subsidiary Company and hence not exposed to interest rate risk

Interest rate risk exposure

The exposure of the Holding Company's borrowing to interest rate changes at the end of the reporting year are as follows:

(` in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Fixed rate borrowings	1,169.97	2,541.32	4,015.04
Floating rate borrowings	390.79	-	-

Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

The interest rate profile of the Company's interest bearing financial instruments is as follows:

Particulars	For the year ended March 31, 2020	
	100bp increase	100bp decrease
Financial Liability		
Variable rate Instrument		
Floating Rate Borrowings	3.91	(3.91)

(iii) Price Risk

The Company's exposure to mutual fund is exposed to price risk and classified in the balance sheet at fair value through profit or loss. 100 bps increase in Net Assets Value (NAV) would increase profit before tax by approximately Rs. 1.28 lakhs (March 31, 2019: NIL). A similar percentage decrease would have resulted equivalent opposite impact.

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50 Disclosure related to Leases

(A) Additions to Right to Use

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Lease hold Property	115.53	-	-

(B) Carrying value of right of use assets at the end of the reporting year

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Balance at the beginning of the year			
Additions	115.53	-	-
Depreciation charge for the year	2.43	-	-
Balance at the end of the year	113.10	-	-

(C) Maturity analysis of lease liabilities

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Less than one year	20.70	-	-
One to five years	110.40	-	-
More than five years	23.00	-	-
Total undiscounted lease liabilities at reporting period	154.10	-	-
Lease liabilities included in the statement of financial position at the year ended	113.10	-	-

(D) Amounts recognised in statement of profit or loss

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on lease liabilities	2.17	-
Expenses relating to short-term leases	65.29	67.63
Expenses relating to leases of low-value assets	-	-
Total	67.46	67.63

(E) Amounts recognised in the statement of cash flows

(Rs in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Operating Activity	65.29	67.63
Financial Activity	2.43	-
Total Cash outflow for leases	67.72	67.63

Sub Lease

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the rightof- use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

The Group had sub-leased the office premises under operating lease for which lease income is recognized in the Statement of Profit and Loss for the year amounting to Rs. 1.10 Lakhs (March 31, 2019 Rs. 7.30 Lakhs). There is no lock-in period for such sub-lease and agreement can be cancelled by both the parties.

51 Employee Stock Options Scheme (ESOP)

The Holding Company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2018 (ESOP 2018) to its employees . These options are vested during 4 years from the grant date and exercisable with in 4 years from vesting date.In the case of resignation of the employee, the grants lapse (if not exercised) after the date of resignation from service.Vesting of options is subject to continued employment with the Holding Company. The plan is an equity settled plan. The employee compensation expense for the year has been determined on fair value basis as on March 31, 2020. The said ESOPs will start its vesting period from November 5, 2019. The details of which are as follows.

ESOP Scheme	Particulars	Date of Grant	Date of Board Approval	Total options granted
ESOP Scheme 2018	Grant 1	05-Nov-18	05-Nov-18	11,17,710
ESOP Scheme 2018	Grant 2	22-May-19	22-May-19	1,13,742
ESOP Scheme 2018	Grant 3	17-Dec-19	17-Dec-19	8,36,511

Series Reference	2019-2023		2020-2024		2020-2024	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	T-1		T-2		T-3	
Fair value of the option range	23.39 - 23.98		31.44 - 34.87		41.36 - 44.82	
Exercise price	30		50		50	
Vesting period (see table below)	12 to 48 months		12 to 48 months		12 to 48 months	
Method of settlement	Equity		Equity		Equity	
Options outstanding as at beginning of reporting period	**11,17,710**		-	-	-	-
Options granted during the year		11,17,710	1,13,742	-	8,36,511	-
Options lapse during the year	1,97,451	-	24,194	-	-	-
Options exercised during the year	7,756	-	-	-	-	-
Options outstanding as at end of reporting period	**9,12,503**	**11,17,710**	**89,548**	-	**8,36,511**	-

Manner of vesting: In a graded manner over a 4 year period with 10%, 20%, 30% and 40% of the grants vesting in each year commencing from the start date of the first tranche.

In respect of stock options granted pursuant to the Holding Company's stock option scheme, the fair value of the options is treated as discount and accounted as "Expenses on Employee Stock Option Plan" over the vesting period.

Expenses on Employee Stock Option Plan debited to Statement of Profit and Loss during the year 2019-20 is Rs. 84.03 lakhs (2018-2019 Rs. 37.86 lakhs)

51.1 Fair valuation :

The fair value of options have been calculated on the date of the grant, using Black-Scholes model by an external firm of valuer.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of the grant are:

Grant Date	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of Underlying share at the time of option grant
05-Nov-18	7.35%-7.46%	4.5 to 6 years	46.1%-47.9%	2.29%	43.8
22-May-19	6.86%-7.41%	4.5 to 6 years	46.50%	0.73%	61.5
17-Dec-19	6.86%-7.41%	4.5 to 6 years	46.50%	0.73%	73.9

51.2 Details of the liabilities arising from the share based payments were as follows

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Total carrying amount	120.16	37.86

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52 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries (Rs in Lakhs)

Name of the Enterprise	Net Assets i.e Total Assets minus Total Liabilities		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)
Parent								
Dharmarsha Finvest Limited	100.12%	3,119.12	100.94%	409.89	100.00%	(1.20)	100.94%	408.69
Subsidiaries								
DPL Technologies Private Limited	0.04%	1.19	-0.94%	(3.80)	-	-	-0.94%	-3.80
Total	-	3,120.31	-	406.09	-	(1.20)		404.89
Adjustments arising out of Consolidation	-0.16%	(5.00)	0.00%	-	-	-	0.00%	-
Consolidated Figures	100.00%	3,115.31	100.00%	406.09	100.00%	(1.20)	100.00%	404.89

53 **First time adoption of Ind AS**

These are the Group's first financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information presented in these financial statements for the year ended March 31, 2019 and in the preparation of an opening Ind AS balance sheet at April 1, 2018 (the Holding Company's date of transition). In preparing its opening Ind AS balance sheet, the Holding Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified Rule 7 of Companies (Accounts) Rules 2014 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Holding Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

i. Deemed cost

Ind AS 101 permits a first time adopter to elect to fair value of its property, plant and equipment as recognised in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively. Ind AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS. This exemption can be also used for intangible assets covered by Ind-AS 38. The Holding Company has opted to consider the carrying value of property, plant and equipments, intangible assets as deemed cost as at the transition date.

ii. Estimates

An Holding Company's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Holding Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

iii. Classification and measurement of financial assets

Ind AS 101 requires an Holding Company to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

iv. Derecognition of financial assets and liabilities

The Holding Company has applied the derecognition requirement of finanical assets and financial liabilities prospectively for transaction occurring on or after the transition date..

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an Holding Company to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS

Dhanvarsha Finvest Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2020

i. **Reconciliation of Balance sheet as at date of transition (April 1, 2018)**

(₹ in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind AS
ASSETS				
Financials Assets				
Cash and cash equivalents		250.57	0.01	250.58
Bank balances other than cash and cash equivalents		-	-	-
Receivables				
Trade Receivables		38.39	-	38.39
Other Receivables				-
Loans	a,c,f	4,921.22	(291.20)	4,630.02
Investments	b	74.68	183.23	257.91
Other Financials Assets		0.08	-	0.08
Non Financials Assets				
Current Tax Assets (Net)		-	-	-
Deferred Tax Assets (Net)	e	93.70	37.46	131.16
Investment Property		56.25	-	56.25
Property,Plant and Equipment		8.09	-	8.09
Intangible assets under development		34.355	-	34.36
Other Intangible assets		3.49	-	3.49
Other non-financials assets (to be specified)	d	7.58	0.01	7.59
Total Assets		**5,488.41**	**(70.49)**	**5,417.92**
LIABILITIES AND EQUITY				
Liabilites				
Financial Liabilities				
Payables				
Trade payables		24.71	-	24.71
Other payables		-	-	-
Borrowings (Other than Debt Securities)		4,015.04	-	4,015.04
Other financial liabilities		32.98	(0.02)	32.96
Non-Financial Liabilities				
Current tax liabilities(Net)		72.06	-	72.06
Provisions	f	56.32	(49.32)	7.00
Other non-financial liabilities	d	17.50	0.72	18.22
Total Liabilities		**4,218.61**	**(48.62)**	**4,169.99**
EQUITY				
Equity Share capital		775.78	-	775.78
Other Equity	a,b,c,d,e	494.04	(21.89)	472.15
Total Equity		**1,269.82**	**-21.89**	**1,247.93**
Total Liabilities and Equity		**5,488.43**	**(70.51)**	**5,417.92**

ii. **Reconciliation of Balance sheet as at March 31, 2019**

(₹ in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind AS
ASSETS				
Financials Assets				
Cash and cash equivalents		362.04	-	362.04
Bank balances other than cash and cash equivalents		17.55	-	17.55
Receivables				
Trade Receivables		0.65	-	0.65
Other Receivables				-
Loans	a,c,f,g	4,939.33	(422.85)	4,516.47
Investments			-	-
Other Financials Assets		1.54	-	1.54
Non Financials Assets				
Current Tax Assets (Net)		37.71	-	37.71
Deferred Tax Assets (Net)	e,k	85.66	137.24	222.90
Investment Property				-
Property,Plant and Equipment		29.65	(0.00)	29.65
Intangible assets under development		65.07	-	65.07
Other intangible assets		46.97	-	46.97
Other non-financials assets		22.32	-	22.32
Non-current assets held for sale		55.33	-	55.33
Total Assets		**5,663.82**	**(285.62)**	**5,378.20**
LIABILITIES AND EQUITY				
Liabilites				
Financial Liabilities				
Payables				
Trade payables		23.37	-	23.37
Other payables		-	-	-
Borrowings (Other than Debt Securities)		2,541.32	-	2,541.32
Other financial liabilities		48.19	-	48.19
Non-Financial Liabilities				
Current tax liabilities(Net)		-	-	-
Provision	f	44.93	(31.96)	12.97
Deferred tax liabilities (Net)		-	-	-
Other non-financial liabilities		87.61	-	87.61
Total Liabilities		**2,745.42**	**(31.96)**	**2,713.46**
EQUITY				
Equity Share capital		1,350.00	-	1,350.00
Other Equity	a,b,c,g,e,k	1,568.40	(253.66)	1,314.74
Total Equity		**2,918.40**	**(253.66)**	**2,664.74**
Total Liabilities and Equity		**5,663.83**	**(285.62)**	**5,378.20**

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

iii. **Reconciliation of total comprehensive income for the year ended March 31, 2019**

(₹ in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind AS
Revenue from operations				
Interest Income	g	923.86	4.51	928.37
Fees and commission Income	c,j	883.25	(21.87)	861.38
Net gain on fair value changes	b	279.92	(183.23)	96.69
Others		16.81	(0.01)	16.80
Total Revenue from operations		**2,103.84**	**(200.60)**	**1,903.24**
Other Income		26.08	-	26.08
Total Income(I+II)		**2,129.92**	**(200.60)**	**1,929.32**
Expenses				
Finance costs		517.67	-	517.67
Fees and commission expense	c	18.55	(17.59)	0.96
Impairment on financial instruments	a	131.23	158.99	290.22
Employee Benefits Expenses	h	512.96	3.48	516.44
Depreciation, amortization and impairment		16.60	0.00	16.60
Others expenses	d,i,j	360.29	(15.57)	344.72
Total Expenses(IV)		**1,557.30**	**129.31**	**1,686.61**
Profit / (loss) before exceptional items and tax (III-IV)		**572.62**	**(329.91)**	**242.71**

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DHANVARSHA FINVEST LIMITED MUMBAI

Exceptional items				
Profit/(loss) before tax (III-IV)		572.62	(329.91)	242.71
Tax expense:				
Current tax	k	135.12	(28.49)	106.63
Deferred tax	e	(5.10)	(72.25)	-77.35
Profit/(loss) for the period (VI-VII)		442.60	(229.17)	213.43
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				-
Remeasurement gain / (loss) on defined benefit plan	h	-	3.48	3.48
Income tax impact	e	-	(0.97)	-0.97
Items that will reclassified to profit or loss		-	-	-
Other comprehensive income/(loss) (A+B)			2.51	2.51
Total comprehensive income		442.60	(226.66)	215.94

* The previous year figures of financials prepared under IGAAP have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

iv. **Reconciliation of total equity as at March 31, 2019 and April 01, 2018**

(₹ in Lakhs)

Particulars	**Notes**	**March 31, 2019**	**April 01, 2018**
Total equity (shareholder's funds) as per previous GAAP		2,918.40	1,269.82
Adjustments:			
Under IND AS 109 - Financial Instruments			
- Loan loss provisioning as per ECL model	a	(385.07)	(226.06)
- Interest Recognition on Credit impaired assets	g	4.50	-
- Fair valuation of Investments	b	-	183.23
- Loan upfront fees recognition as per EIR model	c	(10.33)	(16.53)
- Restatement of error in tax	k	28.49	-
Under IND AS 12 - Deferred Taxeson above adjustments	e	108.75	37.46
Total		2,664.74	1,247.93

v. **Reconciliation of total comprehensive income for the year ended March 31, 2019**

(₹ in Lakhs)

Particulars	**Notes**	**March 31, 2019**
Profit after tax as per previous GAAP		442.61
Adjustments:		
Under IND AS 109 - Financial Instruments		
- Loan loss provisioning as per ECL model	a	(159.01)
- Interest Recognition on Credit impaired assets	g	4.50
- Fair valuation of Investments	b	(183.23)
- Loan upfront fees recognition as per EIR model	c	6.20
Under IND AS 12 - Deferred Taxes	e	72.27
- Restatement of error in tax	k	28.49
-Share issue expense	i	5.08
Remeasurement of Defined Benefit scheme	h	(3.48)
Profit after tax as per Ind AS		213.43
Other comprehensive income, net off tax	h,e	2.51
Total comprehensive income as per Ind AS		215.94

vi. **Effects of Ind AS adoption on Cash Flows for year ended March 31, 2019**
There are no material adjustments to the Statement of Cash flows as reported under the previous GAAP.

Notes

a **Impairment Provision as per Expected credit loss**
Under Indian GAAP, the Holding Company has created provision for loans to customer only in respect of specific amount based on RBI guidelines Under Ind AS, impairment allowance has been determined based on Expected Credit Loss model (ECL) as per Ind AS 109 Financial Instruments.

b **Investments measured at FVTPL**
The Holding Company has designated investments in equity shares at Fair Value through Profit and Loss (FVTPL).At the date of transition to Ind AS, difference between the fair value of investment and IGAAP carrying amount has been recognised in Retained Earnings and for the year ended March 2019, fair value gain has been recognised in Statement of profit and Loss.

c **Effective Interest Rate (EIR)**
Under Indian GAAP, upfront fees from customers and DSA commision to procure a loan was recognised in profit and loss at point in time while under Ind AS, such costs are included in the initial recognition amount of financial asset and recognised as interest income using the effective interest method.

d **Unearned income inrespect of upfront fees**
Under Indian GAAP, upfront fees was recognised in profit and loss at point in time while under Ind AS, it is included in the initial recognition amount of financial asset and recognised as interest income using the effective interest method. Upfront fees received in respect of undisbursed loan is recognised as deferred liability.

e **Deferred tax**
Retained Earnings and Statement of Profit and Loss has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax and additional deferred tax (wherever it was not recognised in previous GAAP), wherever applicable.

f **Reclassification of provision of standard / non-performing assets (NPA)**
Under Indian GAAP provision for NPA and standard asset were presented under provisions. However, under Ind AS financial assets measured at amortised cost (majorly loans) are presented net of provision for expected credit losses.

g **Interest recognition on credit impared assets**
Interest revenues are calculated on the net carrying amount for credit-impaired financial assets under IND AS

h **Remeasurements of post employment benefit obligation**
Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year.

i **Transaction cost on issue of equity**
Under Ind AS Transaction costs of an equity transaction shall be accounted for as a deduction from equity.

j **Set off directly related incomes from the expenses**
Documentation fees and processing fees received are netted against respective expenses

k **Restatement of error in tax**
The Holding Company had made provision for tax in the previous year by applying incorrect rate of tax while calculating the tax on capital gains on sale of equity instruments which was duly rectified while filing income tax return. The same has been rectified in the current year by restating the previous year figures, resulting in reversal of excess provision of taxes and availing of MAT credit aggregating of Rs. 28.49 Lakhs in-line with requirement of Ind AS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

54 The subsidiary was formed on October 07, 2019 , hence previous years figures pertains to the standalone Ind AS financial statements of the Holding Company. Accordingly, current and previous year's figures are not comparable.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Purushottam Nyati
Partner
Membership No. 118970

For and on behalf of the Board of Directors of
Dhanvarsha Finvest Limited
CIN: L24231GJ1994PLC023528

Rakesh Sethi
Chairman
DIN: 02420709

Karan Desai
Joint Managing Director
DIN: 5285546

Rohan Juneja
Joint Managing Director
DIN: 08342094

M Vijay Mohan Reddy
Company Secretary
M. No.A49289

Narendra Tater
Chief Financial Officer

Mumbai
Date : June 15, 2020

Hyderabad
Date : June 15, 2020

Mumbai
Date : June 15, 2020

CAPITAL

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED
(Formerly known as **EXCLUSIVE LEASING AND FINANCE LIMITED**)

December 20, 2022

BSE Limited
P.J. Towers
Dalal Street
Mumbai – 400 001

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Scheme of Arrangement amongst Exclusive Leasing and Finance Private Limited ("Demerged Company") and TruCap Finance Limited ("Resulting Company") and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 and Section 52 and other applicable provisions of the Companies Act, 2013 ("Scheme") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

The financial details of the Demerged Company for the previous 3 years as per the audited statement of Accounts and period ending September 30, 2022:

Name of the Company: Exclusive Leasing and Finance Private Limited

(Rs. in Lakhs, unless specified otherwise)

Particulars	For the Period ended September 30, 2022	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	Audited	2021-22	2020-21	2019-20
Equity Paid up Capital	2,000.00	1,000.00	1,000.00	1,000.00
Reserves and surplus	416.43	198.90	188.85	187.81
Carry forward losses	(54.12)	(124.24)	(164.45)	(168.61)
Net Worth	2,362.31	1,074.66	1,024.40	1,006.96
Miscellaneous Expenditure	-	-	-	12.24
Secured Loans	2,389.10	1,739.84	1,699.93	89.49
Unsecured Loans	1,234.00	601.00	110.00	200.00
Fixed Assets	60.66	67.43	22.24	11.59
Income from Operations	493.68	466.28	315.77	50.27
Total Income	534.02	488.62	315.77	50.67
Total Expenditure	413.19	412.94	293.41	50.27
Profit before Tax	120.84	75.68	22.36	0.40
Profit after Tax	87.65	50.26	5.20	(0.52)
Cash profit	124.80	82.01	41.11	0.95
EPS (INR/share)	0.87	0.50	0.05	(0.01)

For Exclusive Leasing and Finance Private Limited
Director/Auth. Signatory

Book value (INR/share)	11.81	10.75	10.24	10.07

Notes:

1. *The net worth has been computed as per section 2(57) of the Companies Act, 2013*
2. *Income from operations represents turnover / revenue from operation.*
3. *Profit before tax and profit after tax do not include other comprehensive income*
4. *Book value per share has been computed by dividing total equity by the total number of equity shares of the Company*

Thanking You

Yours Truly,
*For **Exclusive Leasing and Finance Private Limited***

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

Rajesh Katoch
(Director)
DIN: 09528988

Place: JALANDHAR

G S A & Associates LLP

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF EXCLUSIVE LEASING & FINANCE PRIVATE LIMITED

REPORT ON THE SPECIAL PURPOSE CONDENSED FINANCIAL INFORMATION

OPINION

We have audited the accompanying special purpose condensed financial information of Exclusive Leasing & Finance Private Limited ("the Company"), which comprise the special purpose condensed balance sheet as at September 30, 2022, the special purpose condensed statement of profit and loss and special purpose condensed statement of cash flow for the half year then ended, and the notes to special purpose condensed financial statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "special purpose condensed financial information").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose condensed financial information give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Accounting standards specified under section 133 of the Companies Act, 2013. These special purpose condensed financial information have been prepared by the management of the Company as per the basis of preparation referred in Note – 1.1(A) to these special purpose condensed financial information solely for the purpose of existing / proposed investors.

BASIS FOR OPINION

We conducted our audit of the special purpose condensed financial information in accordance with standard on auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibility for the audit of the special purpose condensed financial information section of our report. We are independent of the company in accordance with the Code of Ethics issued by the institute of Chartered Accountant of India (ICAI) together with the ethical requirements that are relevant to our audit of the special purpose condensed financial information under the provisions of the Companies Act, 2013 and its related rules made thereunder, and we have fulfil our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

Emphasis of Matter

We draw your attention to Note 1.1(A) of the Special Purpose Condensed Financial Information which defines the basis of preparation of the said condensed financial information and also the limitations with respect to disclosures required under Accounting Standards and for comparative year information. Accordingly, these special purpose condensed financial information are not, and do not purport to be, a complete set of Financial statements prepared under Accounting Standards.

Our opinion is not modified in respect of this matter.

GSA & ASSOCIATES LLP CHARTERED ACCOUNTANTS DELHI

RESPONSIBILITY OF MANAGEMENT FOR SPECIAL PURPOSE CONDENSED FINANCIAL INFORMATION

The Company's Board of Directors is responsible for the preparation of these special purpose condensed financial information in accordance with the basis of preparation as specified in Note – 1.1(A) of the special purpose condensed financial information that give a true and fair view of the condensed financial position, condensed financial performance in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose condensed financial information that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose condensed financial information, management is responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the company or to cease operation, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

AUDITORS' RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the special purpose condensed financial information as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose condensed financial information.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the special purpose condensed financial information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the special purpose condensed financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

• Evaluate the overall presentation, structure and content of the special purpose condensed financial information, including the disclosures, and whether the special purpose condensed financial information represent the underlying transactions and events in a manner that achieves fair presentation.

RESTRICTION ON DISTRIBUTION AND USE

These special purpose condensed financial information have been prepared by the management of Exclusive Leasing & Finance Private Limited, and this report thereon is issued, solely for the purpose of internal use of the management and not to be used, quoted, or refereed to or distributed, in whole or in part, to any party, for any other purpose with our written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For GSA & Associates LLP
Chartered Accountants
Firm's Reg. No: 000257N/N500339

Tanuj Chugh
(Partner)

M. No.: - 529619
Place: New Delhi
Date: 15th December 2022

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Special Purpose Condensed Balance Sheet as at September 30, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at Sept 30, 2022	As at March 31, 2022
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	2,000.00	1,000.00
Reserve and surplus	3	362.31	74.66
		2,362.31	1,074.66
Non-current liabilities			
Long term borrowings	4	3,062.20	1,751.00
Deferred tax liabilities (net)	24	-	0.09
Other long term liabilities	5	2.39	1.88
Long term provisions	6	12.50	3.84
		3,077.09	1,756.81
Current liabilities			
Short term borrowings	7	560.98	589.84
Trade payables	8		
- Micro, small & medium enterprises		5.16	0.72
- Other than micro, small & medium enterprises		39.40	3.75
Other current liabilities	9	158.47	83.88
Short term provisions	10	104.41	61.22
		868.42	739.41
		6,307.82	3,570.88
ASSETS			
Non-current assets			
Property, plant and equipment and Intangible Assets			
- Property, plant and equipment	11(a)	60.66	67.43
Non current investments	12	77.00	77.00
Deferred Tax Asset (Net)		0.02	-
Long term loans and advances	13	2,955.18	1,108.97
Other non-current assets	14	239.98	219.89
		3,332.84	1,473.29
Current assets			
Cash and cash equivalents	15	673.37	81.17
Short term loans and advances	16	2,231.83	1,993.94
Other current assets	17	69.78	22.48
		2,974.98	2,097.59
		6,307.82	3,570.88

Summary of Significant Accounting Policies 1

The accompanying notes form an integral part of these financial statements.

As per our report of even date

For GSA & Associates LLP
Chartered Accountants
Firm Registration Number: 000257N/N500339

Tanuj Chugh
Partner
Membership Number: 529619

Place: New Delhi
Date: 15-12-2022

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Private Limited
(Formerly known as Exclusive Leasing and Finance Limited)
CIN: U65921DL1984PTC018746

Rajesh Katoch	Kumar Uttam	Harshita Aggarwal
Director	Director	Company Secretary
DIN: 09528988	DIN:07111470	Membership Number: A55717
Place: Jalandhar	Place: Jalandhar	Place: Jalandhar
Date: 15-12-2022	Date: 15-12-2022	Date: 15-12-2022

Exclusive Leasing and Finance Private Limited

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Special Purpose Condensed Statement of Profit and Loss for the half year ended September 30, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Notes	Half Year ended Sept 30, 2022	Year ended March 31, 2022
Income			
Revenue from operations	18	493.68	466.28
Other income	19	40.35	22.34
Total revenue		534.02	488.62
Expenses			
Employee benefits expense	20	123.17	63.72
Depreciation and amortisation expense	11	4.54	6.42
Finance cost	21	180.66	243.64
Other expenses	22	104.82	99.16
Total Expenses		413.19	412.94
Profit/Loss before tax		120.84	75.68
Tax expenses			
- Current tax	23b	34.28	25.01
- Deferred Tax	23a	(0.11)	0.47
- Adjustment relating to earlier years		(0.98)	(0.06)
Profit/Loss after tax		87.65	50.26
Earnings per equity share [nominal value per share INR 10 (Previous year INR 10)]			
Basic	25	0.87	0.50
Diluted	25	0.87	0.50

Summary of Significant Accounting Policies 1
The accompanying notes form an integral part of these financial statements.

As per our report of even date

For GSA & Associates LLP
Chartered Accountants
Firm Registration Number: 000257N/N500339

Tanuj Chugh
Partner
Membership Number: 529619

Place: New Delhi
Date: 15-12-2022

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
CIN: U65921DL1984PTC018746

Rajesh Katoch
Director
DIN: 09528988

Place: Jalandhar
Date: 15-12-2022

Kumar Uttam
Director
DIN:07111470

Place: Jalandhar
Date: 15-12-2022

Harshita Aggarwal
Company Secretary
Membership Number: A55717

Place: Jalandhar
Date: 15-12-2022

Exclusive Leasing and Finance Private Limited

Exclusive Leasing and Finance Private Limited

Special Purpose Condensed Cashflow Statement for the half year ended September 30, 2022

(All amounts are in INR Lakhs, unless otherwise stated)

	Particulars	Half Year ended Sept 30, 2022	Year ended March 31, 2022
A	**Cash Flow from Operating Activities:**		
	Net profit/ (loss) before tax	120.34	75.68
	Adjustments for:		
	Depreciation	4.34	6.42
	Assets Written off	9.86	-
	Dividend Income	-	(0.60)
	Profit on redemption of mutual fund units	-	-
	Interest Income	(498.34)	(431.55)
	Interest expenses	179.55	242.43
	Provision against Standard and Sub Standard Assets	19.30	24.00
	Provision For Gratuity & Leave Encashment	3.46	1.32
	Rent Equilisation Reserve	0.51	(0.15)
	Operating loss before working capital changes	(70.29)	(82.49)
	Adjustments for:		
	Increase in Loans and advances	(2,084.10)	(545.53)
	(Increase)/Decrease in Other Assets	(39.05)	0.17
	Increase in Other Liabilities	177.74	4.33
	Cash used in Operations before Adjustments for Interest Received, Interest Paid and Dividend Received	(2,015.70)	(623.62)
	Interest Paid	(177.79)	(242.43)
	Interest Received	372.51	431.59
	Cash from/(used) in Operations	(1,820.97)	(434.46)
	Taxes Paid	(33.19)	(25.42)
	Net Cash (used in)/Generated Operating Activities (A)	(1,854.16)	(459.88)
B	Cash Flow from Investing Activities:		
	Purchase of Property, Plant and Equipment	(7.63)	(45.19)
	Capital Work in Progress	-	-
	Purchase of Equity Shares	-	-
	Proceeds from Redemption of Mutual Fund Units	-	-
	Proceeds from Dividend Income	-	0.60
	Fixed Deposits Matured/(Placed)	-	13.97
	Net Cash (used in)/ from Investing Activities (B)	(7.63)	(30.63)
C	Cash Flow from Financing Activities:		
	Net Increase/(Decrease) in Short-Term Borrowings	(28.86)	39.91
	Proceeds from Issue of Debentures	678.20	-
	Proceeds from Long-Term Borrowings	631.00	601.00
	Repayment of Long-Term Borrowings	-	(110.00)
	Proceeds from Issue of Equity Shares	1,200.00	-
	Net Cash from Financing Activities (C)	2,481.34	530.91
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	620.54	40.41
	Cash and Cash Equivalents at the beginning of the year	52.82	12.41
	Cash and Cash Equivalents at the end of the year	673.36	52.82
	Cash and Cash Equivalents:		
	Cash in Hand	0.02	0.06
	With Bank in Current Accounts	673.34	52.76
	Cash and Cash Equivalents (Note 13)	673.36	52.82

Notes :

1. The above Cash flow statement has been prepared under the 'Indirect method' set out in Accounting Standard-3, 'Cash Flow Statement' notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014.
2. Figures in bracket indicate cash outflow.

The accompanying notes form an integral part of these financial statements.

As per our report of even date
For GSA & Associates LLP
Chartered Accountants
Firm Registration Number: 000257N/N500339

Tanuj Chugh
Partner
Membership Number: 529619
Place: New Delhi
Date: 15-12-2022

Exclusive Leasing and Finance Private Limited

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)

Rajesh Kaloch
Director
DIN: 09528988
Place: Jalandhar
Date: 15-12-2022

Kumar Uttam
Director
DIN:07111470
Place: Jalandhar
Date: 15-12-2022

Harshita Aggarwal
Company Secretary
Membership Number: A55717
Place: Jalandhar
Date: 15-12-2022

Exclusive Leasing and Finance Private Limited
(Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Special Purpose Condensed Financial Statements for the half year ended Sept 30, 2022

1. CORPORATE INFORMATION

Exclusive Leasing and Finance Private Limited (the "Company") is a Non-Systematically Important Non-Deposit Accepting Non-Banking Financial Corporation ('NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI") dated September 15, 1998. Consequent upon the approval of the conversion of the company from public limited to private limited company by Registrar of Companies (RoC), the Company had surrendered the Certificate of Registration (CoR) to the Reserve Bank of India (RBI). Subsequently RBI has issued the fresh CoR to the company in the new name on September 28, 2021. The Company's registered office is situated at 105-A, Indra Praksh Building, Barakhamba Road, New Delhi-110001.

The Company is engaged in providing loans against securities & other financial activities.

1.1. SIGNIFICANT ACCOUNTING POLICIES

A. ACCOUNTING CONVENTIONS AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The special purpose condensed standalone financial information have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014 as amended from time to time, as applicable. These special purpose condensed standalone financial information have been prepared as per the requirement of Current/Prospective Investors.

These special purpose condensed standalone financial information do not include :-

(a) all the disclosures as required under Accounting Standards, and

(b) the relevant comparative financial information under Accounting Standards for the six-months period ended 30 September 2021.

Accordingly, these special purpose condensed financial information are not, and do not purport to be, a complete set of Financial Statements prepared under Accounting Standards.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities.

The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India (RBI) for Non-Banking Finance Companies.

The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, except when otherwise indicated.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in India requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of the current events and actions, uncertainty about these assumption and estimates could result in outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods. Actual results if they differ from those estimates are recognized in the year in which the results are known or materialized.

C. REVENUE RECOGNITION

Income from Finance/Services

The company follows the accrual method of accounting for its income and expenditure except delayed payment charges, which are accounted as and when received on account of uncertainty of ultimate collection. Income from business assets classified as non-performing assets is recognized on receipt basis as per the guidelines issued by the Reserve Bank of India for Non- Banking Finance Company.

The company has complied with guidelines issued by the Reserve Bank of India in respect of prudential norms on Income recognition, Accounting Standards, Asset Classification, Provisioning of Non-Performing Assets etc.

Income from Finance transactions entered into is accounted for by applying the interest rate implicit in such contracts. Processing charges and documentation charges are accounted for at the commencement of the contract.
Income with respect to Non-Performing Assets is accounted for as & when realization which is as per direction/Guidance issued by RBI for Non-Banking Financial Company.

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Revenue in respect of Government Receipts, Insurance claim, Incentives to the extent uncertain and unknown are accounted for on receipt basis and expenditure in respect of additional taxes and government dues are accounted for on payment basis.

D. Other income

Interest income is accounted on accrual basis.

Profit/Loss on Sale of Shares/Investments is accounted for on Sale of such shares/Investments only.

Dividend income is accounted for when the right to receive is established.

E. CLASSIFICATION OF ASSETS AND PROVISIONING

All credit exposures are classified into performing and non-performing assets (NPAs) as per guidelines laid down by the Reserve Bank of India (RBI). Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI.

Provision for Non-Performing Assets is made as per the provisioning norms approved by the board for each type of lending activity subject to the minimum provisioning requirements specified by Reserve Bank of India.

F. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at the cost less depreciation, including expenses incurred in bringing the same to its present location and working condition.

The Company uses straight line method and depreciation is provided on pro-rata basis on the carrying amount of property, plant and equipment. The carrying amount is calculated after reducing 5% of the value of property, plant and equipment as residual value. Depreciation is charged based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Impairment of assets: At each balance sheet date the company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds the recoverable amount, impairment loss is recognised in the statement of profit and loss to the extent the carrying amount exceeds the recoverable amount.

G. INVESTMENTS

Trade Investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on Management's intention. Current investments are carried at the lower of cost and fair value of each investment individually. Long Term Investments are carried at cost less provisions recorded to recognise any decline, other than temporary, in carrying value of each investment.

H. IMPAIRMENT OF ASSETS

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of such assets and from their ultimate disposal. A provision for impairment loss is recognized where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sale of the asset.

I. EMPLOYEE BENEFITS

Defined contribution plan

The Company makes defined contribution to ESI & PF schemes which are recognized in the Statement of Profit and Loss on accrual basis.

The Company has no further obligations under these plans beyond its monthly contributions.

Defined Benefit Plan- Gratuity

The Company provides for retirement benefits in the form of Gratuity. Benefits are payable to eligible employees of the company with respect to gratuity. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service.

Other long term employee benefits- Leave Encashment

Benefits under compensated absences (arising during the tenure of the service and which are expected on post employment) constitute other long-term employee benefits. The liability in respect of compensated absences is provided based on an actuarial valuation done by an independent actuary at the year-end. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

Exclusive Leasing and Finance Private Limited
(Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Special Purpose Condensed Financial Statements for the half year ended Sept 30, 2022

J. TAXES ON INCOME

Tax expense comprises current tax and deferred income tax.

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current income tax relating to items recognised directly in equity and is recognised in equity and not in the statement of profit & loss.

Deferred Tax Assets (DTA) are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward unabsorbed depreciation and losses, DTA are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which DTA can be realised. These are reviewed for the appropriateness of their respective carrying values at each Balance sheet date.

K. PROVISIONS AND CONTINGENT LIABILITIES

The Company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provision is determined based on best estimate required to settle the obligation at the reporting date.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or in respect of present obligations that arise from past events but are not recognized as they probably will not require an outflow of resources or a reliable estimate of their amount cannot be made.
The Company does not recognize assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the financial statements of the period in which the change occurs.

L. CASH & CASH EQUIVALENTS

Cash and cash equivalents comprise cash and deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

M. LEASES (AS A LESSEE)

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Since significant portion of risks and rewards are retained by lessor in respect of assets acquired on lease, they are classified as operating lease and the lease rentals are charged off to revenue account.

N. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

O. BORROWING COST

Borrowing costs, which are directly attributable to the acquisition / construction of fixed assets, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Special Purpose Condensed Financial Statements for the half year ended Sept 30, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

2 Share capital	As at Sept 30, 2022	As at March 31, 2022
Authorised		
20,000,000 equity shares of Rs.10 each (Previous Year 20,000,000 equity shares)	2,000.00	2,000.00
Issued, subscribed and fully paid up		
10,000,200 equity shares of Rs.10 each (Previous Year 10,000,000 equity shares)	2,000.00	1,000.00

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	Half Year ended Sept 30, 2022		Year ended March 31, 2022	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	1,00,00,000	1,000	1,00,00,000	1,000
Issued during the year	1,00,00,000	1,000	-	-
Outstanding at the end of the year	2,00,00,000	2,000	1,00,00,000	1,000

b) Detail of shareholders holding more than 5 % shares in the Company

	As at Sept 30, 2022		As at March 31, 2022	
Name of Shareholders	Number	% holding	Number	% holding
Ashish Bhandari	54,80,000	27.40%	54,80,000	54.80%
V.K Bhandari & Sneh Bhandari (Joint shareholders)	50,90,000	25.45%	21,00,000	21.00%
Sneh Bhandari & V.K Bhandari (Joint shareholders)	49,90,000	24.95%	2,00,000	2.00%
Rohit Anand	40,00,000	20.00%	20,00,000	20.00%
M/s Insta Appliances Private Limited	-	0.00%	6,00,000	6.00%

c) Promoter shareholding

Promoter Name	As at 30th Sept, 2022		As at 31st Mar, 2022		% Change during the period
	No. of Shares	% shareholding	No. of Shares	% shareholding	
Vijay Kumar Bhandari & Sneh Bhandari	50,90,000	25.45%	21,00,000	21.00%	4.45%
Sneh Bhandari & Vijay Kumar Bhandari	49,90,000	24.95%	2,00,000	2.00%	22.95%

c) Terms / rights attached to ordinary shares
The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

d) The company has not alloted any equity shares as fully paid up by way of bonus shares or other than consideration in cash in the last 5 years.

3 Reserves & surplus	As at Sept 30, 2022	As at March 31, 2022
a) Statutory reserve fund created under Section 45-IC of the Reserve bank of India Act, 1934 ("RBI Act")		
Balance at the beginning of the year	188.15	178.10
Add: Transferred from Statement of profit and loss	17.53	10.05
Balance at the end of the year	205.68	188.15
b) Securities premium account		
Balance at the beginning of the year	10.75	10.75
Addition during the year	200.00	-
Balance at the end of the year	210.75	10.75
c) Deficit in the statement of profit and loss		
Balance at the beginning of the year	(124.24)	(164.45)
(+) Net Profit/(Net Loss) For the current year	87.65	50.26
Less: Transfer to statutory reserve	(17.53)	(10.05)
Balance at the end of the year	(54.12)	(124.24)
	362.31	74.66

4 Long Term Borrowings	As at Sept 30, 2022	As at March 31, 2022
Secured Loans:		
Non Convertible Debentures*	1828.20	1,150.00
Unsecured Loans:		
Inter Corporate Deposits	-	-
Loans from Director/Relatives of Director	1234.00	601.00
	3,062.20	1,751.00

* **Non Convertible Debentures:- Terms of repayment, security and interest rate:**

Debentures are secured by way of exclusive charge by way of hypothecation over the loans identified by the company and receivables due to the company with respect to identified loans.

Interest on Debentures is payable Quarterly at the rate mentioned below. Debentures shall be redeemed in full at their maturity.

Redeemable non-covertible debentures (NCD) -Secured

Public issue of redeemable non convertible debentures of Rs. 10 / 1 / 0.1 lacs each

Name of Debenture Holder	Amount of Secured Redeemable Non Convertible Debentures (Rs. In Lakhs)	ROI (p.a.)	Remaining Tenure
Aviator Emerging Market Fund	550.00	13.00%	42 Months
Calypso Global Investment Fund	300.00	12.00%	35 months
Citrus Global Arbitrage Fund	300.00	12.00%	35 months
Aviator Emerging Market Fund	250.00	12.00%	33 months
Aviator Emerging Market Fund	428.20	11.75%	31 months
Total	1,828.20		

5 Other Long Term Liabilities	As at Sept 30, 2022	As at March 31, 2022
Rent equalisation reserve	2.39	1.88
	2.39	1.88

6 Long Term Provisions	As at Sept 30, 2022	As at March 31, 2022
Provision for Loans*:		
For standard assets	7.80	2.77
Others:		
For Gratuity	2.64	1.06
For Leave Encashment	2.06	-
	12.50	3.84

* This is in line with RBI Provisioning Norms.

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Special Purpose Condensed Financial Statements for the half year ended Sept 30, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

7 Short Term Borrowings	As at Sept 30, 2022	As at March 31, 2022
Secured Loans:		
Non Convertible Debentures	500.00	500.00
Bank Overdraft*	60.98	89.84
	560.98	589.84

*Overdraft Facility of Rs.1,92,00,000/- at an Interest Rate of 6.50% is secured against Fixed Deposit amounting Rs.2,00,00,000 placed with Bank.

* Non Convertible Debentures:- Terms of repayment, security and interest rate:
Redeemable non-covertible debentures (NCD) -Secured
Public issue of redeemable non convertible debentures of Rs. 10 lacs each

Name of Debenture Holder	Amount of Secured Redeemable Non Convertible Debentures (Rs. In Lakhs)	ROI (p.a.)	Remaining Maturity
Calypso Global Investment Fund	250.00	13%	8 Months
Navigator Emerging Market Fund	250.00	13%	8 Months
TOTAL	500.00		

During the year there were no defaults in the repayment of principal and interest.
The Company has not been declared wilful defaulter by any bank or financial institution.
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

8 Trade Payables	As at Sept 30, 2022	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	5.16	0.72
Total outstanding dues of creditors other than micro enterprises and small enterprises	39.40	3.75
	44.56	4.47

9 Other Current liabilities	As at Sept 30, 2022	As at March 31, 2022
Payable to Co-lender/BC Partner	43.69	40.06
Statutory dues payable	21.92	11.16
Non Convertible Debentures - Application money	30.00	-
Income Received in Advance	8.85	3.28
TDS Refundable	7.91	8.67
Other Payables	46.10	20.70
	158.47	83.88

10 Short Term Provisions	As at Sept 30, 2022	As at March 31, 2022
Provision for Loans*:		
For Standard Assets.	5.61	4.79
Due to COVID-19 Impact	27.65	27.65
For Sub-Standard Assets.	36.79	23.35
Others:		
Gratuity	0.00	0.00
For Leave Encashment.	0.07	0.25
Provision for Income Tax	34.28	5.18
	104.41	61.22

* This is in line with RBI provisioning norms

DELHI

Exclusive Leasing and Finance Private Limited

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Special Purpose Condensed Financial Statements for the half year ended Sept 30, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

11 (a). Property, Plant and Equipment-Tangible assets

Particulars	Gross Block (at cost)				Depreciation				Net Block (at cost)	
	As at March 31, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at Sept 30, 2022	As at March 31, 2022	For the Period	Deductions/ Adjustments	As at Sept 30, 2022	As at Sept 30, 2022	As at March 31, 2022
Own assets										
Furniture & Fixtures	17.26	1.28	5.64	12.90	1.48	0.59	1.03	1.04	11.86	15.77
Office Equipments	4.84	0.98	0.58	5.23	0.80	0.44	0.20	1.04	4.20	4.04
Electrical Installations and Equipments	3.84	-	1.03	2.81	0.49	0.13	0.33	0.29	2.52	3.35
Computers	6.89	4.82	-	11.71	2.47	1.37	-	3.84	7.87	4.42
Leasehold Improvements	43.63	0.55	5.62	38.57	3.79	2.01	1.45	4.35	34.21	39.84
Total	76.46	7.63	12.87	71.22	9.03	4.54	3.01	10.56	60.66	67.43

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Special Purpose Condensed Financial Statements for the half year ended Sept 30, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

12 Non current investments	As at Sept 30, 2022	As at March 31, 2022
Investments in Equity Shares		
Unquoted		
Midland Microfin Limited (100,000 Equity shares of Face Value Rs. 10 each, purchased at Rs. 77 each)	77.00	77.00
	77.00	77.00
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	77.00	77.00

13 Long-term Loans and Advances	As at Sept 30, 2022	As at March 31, 2022
Secured and considered good		
(i) Loans against Hypothecation of Assets.	719.55	535.46
(ii) Loans against Pledge of Gold.	15.99	-
(iii) Loans Against Property.	2,193.86	556.93
Unsecured and considered good		
(i) Others.	25.78	16.58
	2,955.18	1,108.97

Above Loans & Advances are net of FLDG/Cash Collateral deposited by the borrowers with the company details of which are given below:

Particulars	GROSS Outstanding	FLDG/Cash Collateral	NET Outstanding
Loans against Hypothecation	915.11	195.55	719.55
Loans against Pledge of Gold	15.99	-	15.99
Loans against Property	2,256.37	62.51	2,193.86
Unsecured SME Loans	25.78	-	25.78
	3,213.25	258.06	2,955.18

14 Other non-current assets	As at Sept 30, 2022	As at March 31, 2022
Security Deposits	6.69	5.25
TDS Recoverable	11.59	0.20
Capital Advances	9.95	8.99
Deposits with original maturity for more than 12 months.*	211.75	205.45
	239.98	219.89

* Pledged as security against the Bank Overdraft

15 Cash and bank balances	As at Sept 30, 2022	As at March 31, 2022
Balances with banks		
-Current Accounts	673.34	52.76
-Deposits with original maturity of less than three months	0.01	28.35
Cash on hand	0.02	0.06
	673.37	81.17

GSA & Associates LLP Chartered Accountants Delhi

Exclusive Leasing and Finance Private Limited

(All amounts are in INR Lakhs, unless otherwise stated)

16 Short term loans and advances

	As at Sept 30, 2022	As at March 31, 2022
Secured and considered good		
(i) Loans against Hypothecation of Assets	767.29	1,460.79
(ii) Loans against Pledge of Gold	446.23	89.05
(iii) Loan against Property	656.52	77.01
Unsecured and considered good		
(i) Others	305.94	361.00
Other Advances	55.85	6.09
	2,231.83	1,993.94

Above Loans & Advances are net of FLDG/Cash Collateral deposited by the borrowers with the company details of which are given below:

Particulars	GROSS Outstanding	FLDG/Cash Collateral	NET Outstanding
Loans against Hypothecation	833.47	66.18	767.29
Loans against Pledge of Gold	446.23	-	446.23
Loans against Property	662.01	5.49	656.52
Unsecured SME Loans	305.94	-	305.94
Other Advances inc Accrued interest	55.85	-	55.85
	2,303.49	71.67	2,231.83

17 Other Current Assets

	As at Sept 30, 2022	As at March 31, 2022
Other Receivable	64.12	19.57
Prepaid Expenses	1.53	1.54
Other advance	2.69	1.07
Balance with Revenue Authorities	1.44	0.30
	69.28	22.48

DELHI

Exclusive Leasing and Finance Private Limited

(All amounts are in INR Lakhs, unless otherwise stated)

18 Revenue from operations

	For the half year ended Sept 30, 2022	For the year ended March 31, 2022
Interest income		
Loans and advances	401.66	416.66
Fixed deposits	6.68	14.93
Other operating income		
Loan Processing Charges	84.78	31.76
Profit on sale of Mutual Funds	-	-
Other Charges	0.56	2.93
	493.68	466.28

19 Other income

	For the half year ended Sept 30, 2022	For the year ended March 31, 2022
Interest on income tax refund	-	0.19
Dividend	-	0.60
Due Diligence Fees	14.23	21.16
Rebate & Discount	0.59	0.39
Comission Income	25.53	-
	40.35	22.34

20 Employee benefits expense

	For the half year ended Sept 30, 2022	For the year ended March 31, 2022
Salaries, allowances and incentives	111.91	60.41
Staff welfare expenses	0.99	0.80
Provision for Gratuity	1.58	1.07
Provision for Leave Encashment	1.88	0.26
Contribution to funds	6.81	1.18
	123.17	63.72

21 Finance Cost

	For the half year ended Sept 30, 2022	For the year ended March 31, 2022
Interest Expense	179.55	242.43
Bank interest and Bank Charges	1.11	1.21
	180.66	243.64

22 Other Expenses

	For the half year ended Sept 30, 2022	For the year ended March 31, 2022
Legal and Professional Charges	4.74	22.36
Assets Written Off	9.86	-
Rent Expenses	11.74	13.41
Commission Expenses	19.66	7.23
Contractor Services	0.49	1.38
Entertainment Expenses	1.13	0.08
FCU Services	-	0.15
Festival Expenses	-	0.46
Amortization of Capital Expenses	-	-
Travelling and Conveyance Expenses	9.57	7.16
Provision for Standard Assets	5.85	0.65
Provision for Sub-Standard Assets	13.44	23.35
Provision for Covid-19	-	-
Insurance expenses	3.86	1.50
Legal Search Fees	2.63	2.00
Valuation and Technical Charges	2.06	0.64
Fees and Subscription Charges	9.08	3.48
Supervision and Service Fees	3.83	7.23
Repair and Maintenance Expenses	0.90	0.67
Electricity Expenses	1.06	0.66
Rates and Taxes	0.11	0.43
Advertisement Expenses	0.23	0.22
Payment to auditors	1.00	3.16
Communication expenses	0.88	0.84
Office Expenses	0.66	0.50
Printing and Stationery Expenses	1.73	0.45
Miscellaneous Expenses	0.31	1.15
	104.82	99.16

(All amounts are in INR Lakhs, unless otherwise stated)

23 Deferred Tax Asset/Liability and Income Tax

A. Deferred Tax Asset/ Liability

Gross Deferred Tax Assets and Liabilities are as follows:

Particulars	As at Sept 30, 2022	Charge/ (Benefit) during the period	As at March 31, 2022
Deferred Tax Asset			
- Rent	0.60	0.13	0.47
- Depreciation on Property, Plant and Equipment	(1.78)	(1.22)	(0.56)
- Provision For Gratuity and Leave encashment	1.20	1.20	-
Net Deferred Tax Asset/(Liability)	0.02	0.11	(0.09)

B. Income Tax

The components of income tax expense for the year ended Sept 30, 2022 and March 31, 2022 are:

	Year ended Sept 30, 2022	Year ended March 31, 2022
Current tax	34.28	25.01
Deferred Tax(Credit)/ Charge relating to origination and reversal of temporary differences	(0.11)	0.47
Earlier year tax adjustments	(0.98)	(0.06)
	33.19	25.42

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the half year ended Sept 30, 2022 and year ended March 31, 2022 is as follows:

Particulars	Year ended Sept 30, 2022	Year ended March 31, 2022
Accounting profit before tax	120.84	75.68
At India's statutory income tax rate of 25.168%	30.41	19.05
Non-deductible expenses	7.00	11.99
Donation not allowable for tax purpose	-	-
Interest on delayed payments to MSME	-	-
Others	(4.23)	(5.61)
Income tax expense reported in the statement of profit and loss	33.19	25.42

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account. Also there are no previously unrecorded income and unrelated assets which are to be recorded in the books of accounts during the year.

24 Contingent liabilities and Commitments (to the extent not provided for)

The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities in its financial statements. The amount of contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same

25 Earning Per Share

Particulars	As at Sept 30, 2022	As at March 31, 2022
Net profit/ (loss) attributable to equity shareholders for basic and diluted EPS (a)	87,65,087	50,36,439
Weighted average of number of equity shares outstanding during the year (b)	1,00,54,645	1,00,00,000
Nominal value of shares	10	10
Basic and diluted Earning per equity share (a/b)	0.87	0.50

26 In accordance with the Accounting Standard (AS-18) on "Related Party Disclosures", the disclosures are as follows:

A. Name of Related Parties and Nature of Relationship

Related parties with whom transactions have taken place during the year:

A) Name of related parties

(a) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual;

Ashish Bhandari
Prerna Bhandari
Rohit Anand

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Special Purpose Condensed Financial Statements for the half year ended Sept 30, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

(b) Key Management Personnel & their Relatives

Vijay kumar Bhandari
Rajev Adlakha
Rajesh Katoch
Sneh bhandari
Sonal Dhawan
Meenu Chawla
Karan Jairath (Company Secretary)

(c) Enterprises over which any person described in (a) or (b) has significant influence or is under common control.
Agile Finserv Private Limited (upto 31-03-2022)

B. Transactions with related parties during the year

Particulars	Individuals, & their relatives, having control/significant influence over the company		KMP & Their Relatives		Enterprises over which any person described in (a) or (b) has significant influence or is under common control.	
	As at 30.09.2022	As at 31.03.2022	As at 30.09.2022	As at 31.03.2022	As at 30.09.2022	As at 31.03.2022
Due Diligence Fees						
Agile Finserv Private Limited					-	2.08
Professional Fees Paid						
Rajesh Katoch			-	3.98		
Rajev Adlakha			1.89	0.75		
Interest on Loan						
Vijay Kumar Bhandari			1.50	0.04		
Sneh Bhandari			3.06	0.68		
Sonal Dhawan			13.86	6.45		
Meenu Chawla			9.09	6.10		
Ashish Bhandari	22.98	1.64				
Prerna Bhandari	7.19	0.68				
Reimbursement of Expenses						
Vijay Kumar Bhandari			-	0.43		
Rajesh Katoch			2.54	0.62		
Karan Jairath (Company Secretary)			2.01	1.74		
Ashish Bhandari	-	0.18				
Rajev Adlakha			0.07	-		
Sale/Transfer of Assets						
Agile Finserv Private Limited					-	0.42
Loans Received						
Rajesh Katoch			10.00	-		
V.K. Bhandari			-	25.00		
Sneh Bhandari			-	51.00		
Ashish Bhandari	341.00	151.00				
Prerna Bhandari	121.00	51.00				
Meenu Chawla			51.00	92.00		
Sonal Dhawan			100.00	192.00		
Loans Repaid (Inc Interest)						
Sonal Dhawan	55.56	-				
Remuneration						
Rajesh Katoch			12.48	-		
Karan Jairath (Company Secretary)			5.41	9.01		

C. Balances Outstanding at the end of the year

Particulars	Individuals, & their relatives, having control/significant influence over the company		KMP & Their Relatives	
	As at 30.09.2022	As at 31.03.2022	As at 30.09.2022	As at 31.03.2022
Professional Fee Payable				
Rajesh Katoch			-	1.27
Rajev Adlakha			-	0.33
Unsecured Loans				
Rajesh Katoch			10.00	-
Vijay Kumar Bhandari			25.00	25.03
Sneh Bhandari			51.00	51.62
Sonal Dhawan			241.00	197.80
Meenu Chawla			143.00	97.49
Ashish Bhandari	492.00	152.30		
Prerna Bhandari	172.00	51.54		

EZ CAPITAL

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED

(formerly known as EXCLUSIVE LEASING AND FINANCE LIMITED)
|Regd.Off:- #315, 3rd Floor, Arunachal Building, 19, Barakhamba Road, New Delhi-110001|
|Corp Off.: #11, Ground Floor, City Square Building, EH 197 Civil Lines, GT Road, Jalandhar-144001|
|Tel.: 8727914447||E-mail: exclusiveleasingfl@gmail.com||CIN: U65921DL1984PTC018746|

DIRECTORS' REPORT

To

The Esteemed Members

Your Directors are pleased to present the Annual Report on the performance of your Company for the Financial Year (FY) ended March 31, 2020 along with the Audited Financial Statements and Auditor's Report.

You being our valued partners in the Company, we share our vision of growth with you and our guiding principles are a blend of optimism which has been and will be the guiding force of all our future endeavors.

The Board is under the process of formulating the policies and to do every possible effort to refine the quality of the portfolio and to strengthen the services while widening its scope in all financial areas and to explore new segments. The management's major vision is to brand your Company PAN India in order to come over with every needs of the financial sector whether may be for commercial wise or personal loans or for investment segment.

The Company has formulated new loan products and entered into strategic alliance with other NBFCs for co-lending arrangement. The Company is hiring new team members and expanding the business operations of the Company geographically.

FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended March 31, 2020 and previous year is as under:

(Figures rounded off in lakh Rs.)

S. No.	Particulars	Current Year Ended March 31, 2020	Previous year ended March 31, 2019
1.	Revenue from Operations	50.27	11.93
2.	Other Income	0.40	0.00
3.	Expenditure (excluding depreciation)	49.85	35.00

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

4.	Depreciation	0.42	-
5.	Profit/Loss before taxes	0.40	(23.08)
6.	Tax Expenses Current Tax Deferred Tax Adjustment related to earlier years	 0.22 0.04 0.66	 - - 0.59
7.	Net profit/loss after tax	(0.52)	(23.66)
8.	Paid up Share Capital	1000.00	200.00
9.	Reserve &Surplus	19.20	19.72
10.	Net Owned Funds	1019.16	219.72
11.	Earnings Per Share	(0.01)	(1.18)

The business operations of the Company have increased significantly during the financial year under review. The overall performance of the Company during the financial year was outstanding even during the scenario where competition is increasing every day and liquidity crunch all over the industry. With change in control and management of your Company, management is developing new business ideas and plans in order to increase its revenue in future and to lessen the adverse effect of high competition prevailing in the market. The directors are positive about generating more revenue in the coming years.

In order to capture more geographical areas and to build a better brand image, the registered office of the Company has been shifted to a prime location of Delhi at Barakhamba Road and the Corporate office of the Company has been shifted to centre of the Jalandhar City at City Square Building near BMC Chowk to make it approachable for the customers and team.

During the financial year under review, the Company has increased its capital base by issuing 80,00,000 (Eighty Lacs) equity shares of Rs. 10/- each amounting to Rs. 8,00,00,000/- (Rupees Eight Crores Only).

TOTAL GROSS INCOME

The total gross income of the Company for the financial year 2019-20 stood at Rs. 50.67 Lacs against Rs. 11.93 Lacs for the previous financial year 2018-19 recording an increase of 325%.

|Regd.Off:- #315, 3rd Floor, Arunachal Building, 19, Barakhamba Road, New Delhi-110001|
|Corp Off.: #11, Ground Floor, City Square Building, EH 197 Civil Lines, GT Road, Jalandhar-144001|
|Tel.: 8727914447||E-mail: exclusiveleasingfl@gmail.com||CIN: U65921DL1984PTC018746|

With the new strategy and ideas of the new management, the Board is confident to achieve remarkable heights and increase the returns in the coming years.

NET PROFITS

The Company is establishing new business plans in the new geographical areas and recruiting new team, therefore, the expenses of the Company have increased during the financial year resulting in Net Loss during the year amounting to Rs. 0.52 Lacs as compared to Rs. 23.66 Lacs during the previous financial year. The management is making best efforts to increase the revenue that would further facilitate the Company to earn high profits.

NET OWNED FUNDS

Net Owned Funds of the Company as on March 31, 2020 increased to Rs. 1019.20 Lacs as compared to Rs. 219.72 Lacs as on March 31, 2019 with the increase in the Capital Base of the Company.

LOANS & ADVANCES

The Company follows a very cautious policy in financing of assets and prefers to deal with clients with sound track record. The Company has entered into strategic alliance with Amrit Malwa Capital Limited for Co-lending arrangement. The total loans and advances of the Company increased to Rs. 336.54 Lacs as on March 31, 2020 against Rs. 125.00 Lacs in the previous year ended on March 31, 2019.

OPERATIONS - PROSPECTS AND FUTURE PLAN

The Company wishes to expand both vertically as well as horizontally. Your management has taken this decision keeping in mind various factors. The vertical and horizontal expansion would ensure that both the products as well as the geographical area of the Company are enhanced which will reduce the weighted average risk of the portfolio. The Company has identified new areas to increase the geographical expansion and also shortlisted new products for executing the expansion and diversification plan. Inconsiderate to the expansion plans of the Company, the management has decided to increase its operations by increasing its outreach to new geographical areas, diversification in new products, increase in financing of existing products and entering into strategic alliances with other NBFCs for increasing the efficiency and leverage the vintage of the

Company. The ultimate goal of the Company for future is to strengthen and expand its client base across and to provide them world class service.

BORROWINGS

The borrowings of the Company as on March 31, 2020 stood at Rs. 289.49 Lacs including inter-corporate loans and bank overdraft.

ABOUT COVID-19 PANDEMIC

Over the past few months, the world is facing social and financial challenges due to ongoing COVID-19 pandemic that has led to the nationwide lockdown in India. Thus, the Company had to close the operations for the time-being and stopped the disbursements in the last week of March, 2020. It is pertinent to note that during the lockdown, Company had done the analysis of Impact of COVID-19 on the Company and analyzed that the pandemic does not have major threat over the portfolio quality of the Company considering the assets and liabilities. Further, as announced by the Reserve Bank of India, the Company instituted the Moratorium Policy and granted the moratorium to the borrowers on the basis of the request from the borrowers.

"Adding strain on the non-bank lending sector that was already hit by a funding squeeze after a few high-profile defaults. The outbreak of the pandemic disturbed the financial and operational balance and had a huge impact on the economy.

The Company granted moratorium to few Borrowers as advised by the Reserve Bank of India through Financial packages. RBI has announced schemes to ensure liquidity in the economy, which might prove to be of some help in this tough time.

The company had been in touch with the borrowers and till date all the borrowers are repaying the installments as per revised repayment period. Moreover, the portfolio as on March 31, 2020 was less which in the opinion of board would not be impacted by the COVID-19 pandemic. As such no additional provision has been made.

The Company has strategized the policies and procedures to deal with the issues arising due to COVID-19 pandemic.

CHANGE IN THE NATURE OF BUSINESS

During the financial year 2019-20, no change in nature of the business has taken place.

REGULATORY UPDATE

Your Company has been following all the relevant guidelines and directions issued by the Reserve Bank of India from time to time. The Company has been classified as a registered Category-B NBFC (Non-Banking Financial Company). The Company has been submitting regularly all necessary returns to RBI and ensuring compliance of all the regulatory norms.

The Company has filed all the requisite information and forms with the Registrar of Companies (ROC), NCT of Delhi and Haryana as required under the Companies Act, 2013 during the financial year ended on March 31, 2020.

DEPOSITS

The Company being a Category-B Non-Deposit taking NBFC registered with Reserve Bank of India has not accepted any public deposits during the financial year 2019-20.

FAIR PRACTICES CODE

Your Company has duly complied with the provisions of RBI relating to the maintenance and review of the Fair Practices Code. Exclusive Leasing and Finance Limited has adopted Fair Practices Code, which provides operating guidelines for effective dissemination and implementation of responsible business practices and grievance redressal system. The Company is implementing the best policies prevalent in the industry for transparency and efficient recovery. Further, the Company is also complying with the KYC procedures as a tool to Risk Management.

EXTRACTS OF THE ANNUAL RETURN

In accordance with the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the extract of the annual return in Form MGT-9 is attached to this report as an **Annexure – A.**

COMPOSITION OF THE BOARD OF DIRECTORS DURING THE YEAR

The composition of the Board of Directors as on March 31, 2020 is as follows:

|Regd.Off:- #315, 3rd Floor, Arunachal Building, 19, Barakhamba Road, New Delhi-110001|
|Corp Off.: #11, Ground Floor, City Square Building, EH 197 Civil Lines, GT Road, Jalandhar-144001|
|Tel.: 8727914447||E-mail: exclusiveleasingfl@gmail.com||CIN: U65921DL1984PTC018746|

S. No.	DIN	Name	Designation
1	00052716	Vijay Kumar Bhandari	Director
2	06808974	Ayodhya Prasad Anand	Director
3	07553217	Kumar Shalya Gupta	Director
4	07905476	Monica Mittal	Director
5	07111470	Kumar Uttam	Director
6	02868064	Nikita Arora	Additional Director

During the financial year 2019-2020, Mr. Kumar Shalya Gupta was appointed as a Director of the Company on May 21, 2019.

Ms. Nikita Arora was appointed as an Additional Director of the Company with effect from January 06, 2020. Pursuant to the provisions of section 161 of the Companies Act, 2013, she shall hold office up to the date of the ensuing Annual General Meeting and being eligible offered herself for appointment as Director by the members in the Annual General Meeting.

In accordance with the provisions of the Act and the Articles of Association of the Company. Ms. Monica Mittal, Director of the Company, retire by rotation at the ensuing Annual General Meeting. The Board of Directors has recommended her re-appointment.

Further, the following Directors resigned from the directorship of the Company pursuant to the change in management of the Company:-

- Mr. Rahul Dhanuka w.e.f. June 25, 2019
- Mr Kamal Kumar Jain w.e.f. June 25, 2019
- Mr. Ghanshyam Dass Gupta w.e.f. August 07, 2019

NUMBER OF BOARD MEETINGS WITH DATES AND NUMBER OF MEETINGS ATTENDED BY EACH DIRECTOR UNDER SECTION 134(3)(B) AND SECRETARIAL STANDARD ON BOARD MEETINGS

NO. OF MEETINGS ATTENDED BY DIRECTORS

Name of Directors	Board Meeting Attended
Mr. Rahul Dhanuka	2
Mr. Kamal Kumar Jain	2

Mr. Ghanshyam Dass Gupta	3
Mr. Kumar Uttam	16
Mr. Vijay Kumar Bhandari	12
Mr. Ayodhya Prasad Anand	11
Ms. Monica Mittal	16
Mr. Kumar Shalya Gupta	11
Ms. Nikita Arora	2

Particulars	Details of Board Meetings	
No. of Meetings	16	
Dates of Board Meetings	• 01.04.2019 • 04.04.2019 • 16.05.2019 • 21.05.2019 • 03.06.2019 • 04.07.2019 • 24.07.2019 • 20.08.2019	• 30.08.2019 • 17.10.2019 • 16.11.2019 • 30.11.2019 • 26.12.2019 • 27.01.2020 • 17.02.2020 • 20.03.2020

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the applicable provisions of the Companies Act, 2013, your Directors state that: -

(i) in the preparation of the annual accounts for the period ended March 31, 2020, the applicable accounting standards had been followed and that there are no material departures;

(ii) the Directors have 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;

(iii) the Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

(iv) the Directors have prepared the annual accounts for the period ended March 31, 2020 on a going concern basis; and

(v) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, ATTRIBUTES, INDEPENDENCE ETC. UNDER SECTION 178(1) & (3)

The Company has put in place 'Fit & Proper' criteria policy for considering the appointment and remuneration of Directors as per the guidelines issued by RBI. The policy contains detailed procedures for determining qualification, positive attributes, due diligence mechanism and reference checks for appointment of Directors.

APPOINTMENT OF INDEPENDENT DIRECTOR UNDER SECTION 149(4)

The Company was not required to appoint any Independent Director during the financial year ended on March 31, 2020 as per the provisions of Section 149 (4) of the Companies Act, 2013.

STATEMENT ON DECLARATION GIVEN BYINDEPENDENT DIRECTORS U/S 149(6)

As the Company was not required to appoint any Independent Director, thus, the stated disclosure is not required to be given.

DISQUALIFICATION OF DIRECTORS

On the basis of the written consent received from all the directors appointed in the Company, none of the director is disqualified under the provisions as mentioned in Section 164(2) of the Companies Act, 2013.

AUDITORS AND AUDITOR'S REPORT

M/S MSKA & Associates, Chartered Accountants was appointed as Statutory Auditors of the Company for the financial year 2019-2020 in the Board Meeting held on June 30, 2020 to fill the casual vacancy caused due to resignation given by previous statutory auditors i.e. M/s Manoj Ritu and Associates and further confirmed in the Extra-ordinary General Meeting held on August 17, 2020 to hold office upto the ensuing Annual General Meeting.

|Regd.Off:- #315, 3rd Floor, Arunachal Building, 19, Barakhamba Road, New Delhi-110001|
|Corp Off.: #11, Ground Floor, City Square Building, EH 197 Civil Lines, GT Road, Jalandhar-144001|
|Tel.: 8727914447||E-mail: exclusiveleasingfl@gmail.com||CIN: U65921DL1984PTC018746|

M/S MSKA & Associates, Chartered Accountants have audited the accounts of the Company for the financial year 2019-2020 as per the accounting standards followed in India. The Board has recommended the re-appointment of Statutory Auditors for a term of 5 years in the ensuing Annual General Meeting. The appointment of Statutory Auditors, if made would be within the prescribed limits under Section 141 (3) (g) of the Companies Act, 2013 and the Statutory Auditors are not disqualified for the re-appointment.

STATEMENT IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

No fraud was identified in all aspects by the Auditor or through the Company's internal control mechanism which would have a material impact on the financial statements.

COMMENTS BY THE BOARD ON QUALIFICATION, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY AUDITORS IN AUDIT REPORT

M/S MSKA & Associates, Chartered Accountants, Statutory Auditors of the Company have audited the accounts of the company for the financial year 2019-2020 as per the accounting standards followed in India. There is no qualification, reservations or adverse remarks given by the Auditors which need comments by the Board. The notes to accounts referred to in Auditors' Report has been discussed by the Board and are self-explanatory and therefore, in the opinion of the Directors, do not call for any further comments.

LOANS, GUARANTEES & INVESTMENTS UNDER SECTION 186

Pursuant to Section 186(11) of the Companies Act, 2013, loans made, guarantees given or securities provided or acquisition of securities by a Non-Banking Financial Company in the ordinary course of its business are exempted from disclosure requirements under Section 134(3) (g) of the Companies Act, 2013.

RELATED PARTY TRANSACTION UNDER SECTION 188 READ WITH RULE 8(2) OF COMPANY (ACCOUNT) RULES, 2014

The Company has not entered into any such material transactions with related parties covered under section 188 of the Companies Act, 2013 which have potential conflict with the interest of the Company. However, the transactions entered are in ordinary course of business and are at arm's length price. The same has been disclosed in the Notes to accounts forming part of the Balance Sheet in compliance with AS-18 of the Accounting Standards.

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|Tel.: 8727914447| |E-mail: exclusiveleasingfl@gmail.com| |CIN: U65921DL1984PTC018746|

STATE OF THE COMPANY'S AFFAIRS

All other affairs of the Company in detail have been given separately in different sections of the Board Report.

AMOUNTS PROPOSED TO BE CARRIED TO RESERVES, IF ANY

An amount of Rs. 0.04 Lacs was transferred to Statutory Reserves Account pursuant to Section 45 (IC) of the Reserve Bank of India Act, 1934 during the financial year 2019-20.

AMOUNT TO BE PAID BY WAY OF DIVIDEND AS PER SECTION 134(3)(K) & SECTION 123

Due to the Net Loss during the financial year 2019-20, the Board regret its inability to recommend any dividend for the financial year 2019-20.

MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY, OCCURRING BETWEEN DATE OF FINANCIAL STATEMENTS AND THE BOARD'S REPORT

During the period after the closure of the financial year and date of the Board's Report, the Company has applied to the Ministry of Corporate Affairs, Central Government (Powers delegated to Regional Director) for the conversion of the Company from Public limited Company to Private Limited Company.

Further, after the closure of the financial year 2019-2020 and till the date of the Board's Report, the Company has received Foreign Investment from three (3) Foreign Portfolio Investors (FPIs) by issuing 105 Secured Non-Convertible Debentures having face value of Rs. 10.00 Lacs each amounting to Rs. 1050.00 Lacs.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS &OUTGO, IN MANNER PRESCRIBED

A) Conservation of Energy

The Company being an NBFC, the energy consumed by the Company during this period is only in the form of electricity. The Company has allocated specific cost budgets for the same to reduce electric waste and the same is monitored on periodical basis. Other measures like use of LEDs, power saver air-conditioning equipments etc. are being installed for conserving the energy. The Company is also exploring options for using alternative source of energy. There is no capital investment on energy conservation equipment other than specified above.

B) Technology Absorption

(i) Exclusive Leasing and Finance Limited is using user friendly software for its operational activities.

(ii) New Developments in Technology Field :-
The Company has not made any new development in the technology field.

(iii) The Company has not used any imported technology during the previous three financial years.

(iv) During the year, the Company has not incurred any expenditure on Research & Development.

C) Foreign exchange earnings and Outgo

There was no foreign exchange inflow or Outflow during the year under review

DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY

Risk is an integral part of every Company's business, and sound risk management is critical to the success of the organization. Your Company is exposed to risks that are particular to its environment within which it operates. The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout your Company. The risk management process is continuously improved and adapted to the changing global risk scenario. The company has a comprehensive Risk Management Policy. Major risks identified in the processes are systematically addressed through mitigating actions on a continuing basis. These are discussed among the board of directors and corrective actions are taken as advised. The Board reviews the risk management policies in relation to various risks and regulatory compliance issues.

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 read with Rule 9 of the Companies (Accounts) Rules, 2014 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable on the Company.

NAME OF THE COMPANIES WHICH HAS BECOME/CEASED TO BE SUBSIDIARIES /ASSOCIATES OR JOINT VENTURES DURING THE YEAR

During the financial year 2019-2020, no company became or ceased to be the subsidiary / Associate or joint venture of Exclusive Leasing and Finance Limited.

SEPARATE SECTION CONTAINING A REPORT ON PERFORMANCE AND FINANCIAL POSITION OF EACH OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any Subsidiary, Joint venture or Associate Company. Hence, no such separate report on performance and financial position is required.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS, TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No such order has been passed by any court or tribunal.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A statement of adequacy of Internal Controls with reference to financial statements is attached with Auditor's Report.

ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS, SWEAT EQUITY, ESOS ETC.

The Company has not issued any equity shares with differential rights, sweat equity, ESOP etc.

TRANSFER OF UNPAID / UNCLAIMED DIVIDEND AND EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

As per section 124(5) of the Companies Act, the Company was not required to transfer any amount to the IEPF account.

NON-PERFORMING ASSETS

Your Company has a very strong and effective recovery system and as on March 31, 2020, the Company does not have any NPA.

PROVISIONING OF ASSETS AS PER RBI GUIDELINES

The Company has created provisions for Standard assets as required under RBI Guidelines amounting to Rs. 0.40 Lacs as on March 31, 2020.

COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD - 1 AND SECRETARIAL STANDARD - 2

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

APPOINTMENT OF RELATIVES OF DIRECTORS TO AN OFFICE OR PLACE OF PROFIT

No person covered under the term 'Relatives' as per the Companies Act, 2013 has been appointed to an office or place of profit.

VOLUNTARY REVISION OF FINANCIAL STATEMENT AND BOARD'S REPORT

The Company has not revised its financial statements during the financial year 2019-2020.

DISCLOSURE IN RESPECT OF ANY MD / WTD RECEIVING COMMISSION FROM A COMPANY AND ALSO RECEIVING COMMISSION OR REMUNERATION FROM ITS HOLDING OR SUBSIDIARY COMPANY

The Company does not have any Managing Director/Whole Time Director, therefore, no disclosure is required to be made.

ESTABLISHMENT OF VIGIL MECHANISM

Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 provides for establishment of vigil mechanism for directors and employees. Although the said provisions are not applicable to the Company but Exclusive Leasing and Finance Limited has framed Vigil Mechanism to report concerns to the management about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, without any fear or threat of being victimized.

DISCLOSURE OF VOTING RIGHTS NOT EXERCISED DIRECTLY BY THE EMPLOYEES IN RESPECT OF SHARES UNDER SECTION 67(3) READ WITH RULE 16(4) OF SHARE CAPITAL AND DEBENTURES RULES, 2014

During the financial year 2019-2020, none of the employees have exercised the voting rights in shares as specified under Section 67 (3) read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014.

DISCLOSURE AS TO WHETHER MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SECTION 148(1) OF THE COMPANIES ACT, 2013 IS REQUIRED BY THE COMPANY

The provisions as to the maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 are not applicable to the Company.

CUSTOMER GRIEVANCE REDRESSAL

The Company has adopted a well-structured customer grievance redressal mechanism and provides customers a reliable and easily accessible interface for timely and fair resolution of enquires & complaints. The policy aims to minimize the instances of customer complaints through proper service delivery and review mechanism.

- **Grievance Redressal Officer** –The Company has appointed Grievance Redressal Officer (GRO). GRO monitors customer grievances at all the levels and is responsible for ensuring timely resolution of all complaints. A report on status of customer grievances is periodically reviewed at various levels of Management and the Board for decision making and minimizing complaints.

During the financial year under review, the Company has not received any complaint from any customer or employee.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL ACT 2013

CAPITAL

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED

(formerly known as EXCLUSIVE LEASING AND FINANCE LIMITED)
|Regd.Off:- #315, 3rd Floor, Arunachal Building, 19, Barakhamba Road, New Delhi-110001|
|Corp Off.: #11, Ground Floor, City Square Building, EH 197 Civil Lines, GT Road, Jalandhar-144001|
|Tel.: 8727914447| |E-mail: exclusiveleasingfl@gmail.com| |CIN: U65921DL1984PTC018746|

Your Company is committed towards prevention of sexual harassment of women at workplace and has adopted a policy on the prevention of the sexual harassment of women at the workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.To foster a positive workplace environment, free from harassment of any nature, your Company takes prompt action in the event of reporting of any such incidents. The Company has in place a Complaints Committee to deal with sexual harassment complaints, if any, and to conduct enquiries there to in line with the requirements of Sexual Harassment of Women at Workplace(Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2018-19, no complaint pertaining to Sexual Harassment was received by the Committee.

ACKNOWLEDGEMENT

We are grateful to our Bankers, Central and State Governments, Reserve Bank of India, other statutory bodies and Investors for their co-operation and guidance. We appreciate Company's staff for putting in their best. We express our sincere gratitude to our valued clients, depositors, hirers and associates for their trust and co-operation. Last but not least on behalf of the Board of Directors; I thank you dear shareholders for your continuous support at all times.

For and on behalf of
Excusive Leasing and Finance Limited

Date : November 28, 2020
Place: Jalandhar

Kumar Uttam
(Director)
DIN: 07111470

Monica Mittal
(Director)
DIN: 07905476

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

MSKA
& Associates
Chartered Accountants

The Palm Springs Plaza
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INDEPENDENT AUDITOR'S REPORT

To the Members of Exclusive Leasing and Finance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Exclusive Leasing and Finance Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 35 to the financial statements which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

MSKA & ASSOCIATES GURUGRAM

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those charged with Governance for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

MSKA & ASSOCIATES
GURUGRAM

Other Matter

The financial statements of the Company for the year ended March 31, 2019, were audited by another auditor whose report was dated June 3, 2019 and expressed an unmodified opinion on those statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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MSKA
& Associates
Chartered Accountants

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Manish P Bathija
Partner
Membership No.: 216706
UDIN: 20216706AAAAHA2748

MSKA & ASSOCIATES GURUGRAM

Place: Gurugram
Date: November 25, 2020

MSKA
& Associates
Chartered Accountants

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF EXCLUSIVE LEASING AND FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2020

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with the Standards of Auditing ('SAs') issued by the Institute of Chartered Accountants of India ('ICAI'), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MSKA & ASSOCIATES
GURUGRAM

MSKA
& Associates
Chartered Accountants

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Manish P Bathija
Partner
Membership No. 216706
UDIN: 20216706AAAAHA2748

Place: Gurugram
Date: November 25, 2020

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ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EXCLUSIVE LEASING AND FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2020

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, making investments, providing guarantees and security made, as applicable. The Company being a non-banking financial company, nothing contained in Section 186, except sub-section (1), shall apply.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion , the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, cess and any other statutory dues applicable to it.

MSKA & ASSOCIATES GURUGRAM

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, cess and any other statutory dues which have not been deposited on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution and banks. The Company has not taken any loans or borrowings from Government and has not issued any debentures.

ix. In our opinion, according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

MSKA & ASSOCIATES
GURUGRAM

MSKA

& Associates

Chartered Accountants

xvi. The Company is required to be registered under Section 45IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Manish P Bathija
Partner
Membership No. 216706
UDIN: 20216706AAAAHA2748

Place: Gurugram
Date: November 25, 2020

Head Office: 602, Floor 6, Raheja Titanium, Western Express Highway, Geetanjali Railway Colony, Ram Nagar, Goregaon (E), Mumbai 400063, INDIA. Tel: +91 22 6831 1600
Regd. No 105047W | Ahmedabad | Bengaluru | Chennai | Goa | Gurugram | Hyderabad | Kochi | Kolkata | Mumbai | Pune www.mska.in

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ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EXCLUSIVE LEASING AND FINANCE LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Exclusive Leasing and Finance Limited on the Financial Statements for the year ended March 31, 2020]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Exclusive Leasing and Finance Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MSKA & ASSOCIATES GURUGRAM

Meaning of Internal Financial Controls With reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Manish P Bathija
Partner
Membership No. 216706
UDIN: 20216706AAAAHA2748

Place: Gurugram
Date: November 25, 2020

Exclusive Leasing and Finance Limited
Balance Sheet
(All amounts are in Indian rupees, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	100,000,000	20,000,000
Reserve and surplus	3	1,919,827	1,972,014
		101,919,827	21,972,014
Non-current liabilities			
Long term borrowings	4	20,000,000	-
Other long term liabilities	5	5,940,619	375,000
Long term provisions	6	43,566	12,500
Deferred tax liabilities (net)	24	4,098	-
		25,988,283	387,500
Current liabilities			
Short term borrowings	7	8,949,304	-
Trade payables	8		
- Micro, small & medium enterprises		-	-
- Other than micro, small & medium enterprises		282,384	22,500
Other current liabilities	9	1,948,636	18,800
Short term provisions	10	40,405	16,750
		11,220,729	58,050
		139,128,839	22,417,564
ASSETS			
Non-current assets			
Property, plant and equipment	11	1,159,172	-
Non current investments	12	-	8
Long term loans and advances	13	17,629,333	5,000,000
Other non-current assets	14	11,701,312	-
		30,489,817	5,000,008
Current assets			
Current investments	15	54,991,486	2,001,660
Cash and cash equivalents	16	1,967,666	1,841,198
Short term loans and advances	17	51,571,788	8,097,034
Other current assets	18	107,982	5,477,664
		108,638,922	17,417,556
		139,128,839	22,417,564

Summary of Significant Accounting Policies 1
The accompanying notes form an integral part of these financial statements.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Manish P Bathija
Partner
Membership Number: 216706

Place: Gurugram
Date: 25-11-2020

MSKA & ASSOCIATES GURUGRAM

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Limited
CIN: U65921DL1984PLC018746

Monica Mittal
Director
DIN: 07905476

Place: Jalandhar
Date: 21-11-2020

Kumar Uttam
Director
DIN: 07111470

Place: Jalandhar
Date: 21-11-2020

Exclusive Leasing and Finance Limited
Statement of Profit and Loss
(All amounts are in Indian rupees, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	19	5,026,990	1,192,710
Other income	20	39,762	-
Total revenue		5,066,752	1,192,710
Expenses			
Employee benefits expense	21	1,286,122	-
Depreciation and amortisation expense	11	41,506	-
Finance cost	22	1,119,795	372
Other expenses	23	2,579,452	3,500,263
Total Expenses		5,026,875	3,500,635
Profit/ (loss) before tax		39,877	(2,307,925)
Tax expenses			
- Current tax		22,039	-
- Deferred Tax	24	4,098	-
- Adjustment relating to earlier years		65,927	58,504
Loss after tax		(52,187)	(2,366,429)
Earnings per equity share [nominal value per share INR 10 (Previous year INR 10)]			
Basic	26	(0.01)	(1.18)
Diluted	26	(0.01)	(1.18)
Weighted number of equity shares		5,424,658	2,000,000

Summary of Significant Accounting Policies
The accompanying notes form an integral part of these financial statements.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Manish P Bathija
Partner
Membership Number: 216706

Place: Gurugram
Date: 25-11-2020

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Limited
CIN: U65921DL1984PLC018746

Monica Mittal
Director
DIN: 07905476

Place: Jalandhar
Date: 21-11-2020

Kumar Uttam
Director
DIN: 07111470

Place: Jalandhar
Date: 21-11-2020

Exclusive Leasing and Finance Limited
Cash flow statement for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A	Cash Flow from Operating Activities:		
	Net profit/ (loss) before tax	39,877	(2,107,725)
	Adjustments for:		
	Depreciation	41,306	-
	Amortisation of capital expenses	306,000	-
	Dividend income	(22,498)	(143,420)
	Profit on sale of investments	(8,475)	-
	Profit on redemption of mutual fund units	(1,306,303)	-
	Interest income	(3,430,035)	-
	Interest expense	1,115,304	-
	Contingent provision against standard assets	52,721	31,250
	Operating loss before working capital changes	(3,212,989)	(2,420,498)
	Adjustments for:		
	Increase in Loans and advances	(21,088,535)	(2,500,000)
	(Increase)/Decrease in Other Assets	(30,615,728)	5,265,234
	Increase in Other Liabilities	7,460,820	994,400
	Cash used in Operations before Adjustments for Interest Received, Interest Paid and Dividend Received	(47,457,103)	1,339,139
	Interest Paid	(947,995)	-
	Interest Received	3,087,305	-
	Cash (used)/generated in Operations	(45,317,345)	1,339,139
	Taxes Paid	(278,096)	
	Net Cash (used in)/Generated Operating Activities (A)	(45,595,381)	1,339,139
B	Cash Flow from Investing Activities:		
	Purchase of Property, Plant and Equipment	(1,200,870)	-
	Purchase of Mutual Fund Units	(429,917,480)	(3,730,000)
	Proceeds from Redemption of Mutual Fund Units	150,255,474	-
	Proceeds from sale of investment	9,681	4,032,899
	Fixed Deposits Matured/(Placed)	(10,477,312)	-
	Net Cash (used in)/ from Investing Activities (B)	(63,330,515)	302,899
C	Cash Flow from Financing Activities:		
	Proceeds from Issue of Equity Share Capital	80,000,000	-
	Proceeds from Short-Term Borrowings	8,949,784	-
	Proceeds from Long-Term Borrowings	20,000,000	-
	Net Cash from Financing Activities (C)	108,949,784	-
	Net Increase in Cash and Cash Equivalents (A+B+C)	126,468	1,472,228
	Cash and Cash Equivalents at the beginning of the year	1,841,198	368,970
	Cash and Cash Equivalents at the end of the year	1,967,666	1,841,198
	Cash and Cash Equivalents:		
	Cash in Hand	25,117	23,440
	With Bank in Current Accounts	1,942,549	1,817,758
	Cash and Cash Equivalents (Note 14)	1,967,666	1,841,198

Notes :
1. The above Cash flow statement has been prepared under the 'Indirect method' set out in Accounting Standard-3, "Cash Flow Statement" notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014.

2. Figures in bracket indicate cash outflow.

The accompanying notes form an integral part of these financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Manish P Bathija
Partner
Membership Number: 216706

Place: Gurugram
Date: 25-11-2020

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Limited
CIN: U65921DL1984PLC018746

Monica Mittal
Director
DIN: 07905474

Place: Jalandhar
Date: 21-11-2020

Kumar Vikas
Director
DIN: 07111470

Place: Jalandhar
Date: 25-11-2020

MSKA & ASSOCIATES GURUGRAM

1. Corporate Information

Exclusive Leasing and Finance Limited (the "Company") is a Non-Systematically Important Non-Deposit Accepting Non-Banking Financial Corporation ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI") dated September 15, 1998. The Company is engaged in providing loans against securities, other financial activities.

The Company's registered office is situated at Flat No 315, 3rd Floor, Arunachal Building, 19, Barakhamba Road, New Delhi-110001.

The financial statements for the year ended March 31, 2020 were authorised and approved for issue by the Board of Directors on November 21, 2020

1.1. Significant accounting policies

a. Basis of preparation

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). Indian GAAP comprises mandatory accounting standards as specified under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other accounting pronouncements of The Institute of Chartered Accountants of India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities.

The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India (RBI) for Non-Banking Finance Companies.

The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.

b. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in India requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of the current events and actions, uncertainty about these assumption and estimates could result in outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods. Actual results if they differ from those estimates are recognized in the year in which the results are known or materialized.

MSKA & ASSOCIATES GURUGRAM

c. Revenue Recognition

Income from Finance/Services

The company follows the accrual method of accounting for its income and expenditure except delayed payment charges, which are accounted as and when received on account of uncertainty of ultimate collection. Income from business assets classified as non-performing assets is recognized on receipt basis as per the guidelines issued by the Reserve Bank of India for Non- Banking Finance Company.

The company has complied with guidelines issued by the Reserve Bank of India in respect of prudential norms on income recognition, Accounting Standards, Asset Classification, Provisioning of Non-Performing Assets etc.

Income from Finance transactions entered into is accounted for by applying the interest rate implicit in such contracts. Processing charges and documentation charges are accounted for at the commencement of the contract.

Income with respect to Non-Performing Assets is accounted for as & when realization which is as per direction/Guidance issued by RBI for Non-Banking Financial Company.

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Revenue in respect of Government Receipts, Insurance claim, Incentives to the extent uncertain and unknown are accounted for on receipt basis and expenditure in respect of additional taxes and government dues are accounted for on payment basis.

d. Other Income

Interest income is accounted on accrual basis.

Profit/Loss on Sale of Shares/Investments is accounted for on Sale of such shares/investments only.

Dividend income is accounted for when the right to receive is established.

e. Classification of assets and provisioning

All credit exposures are classified into performing and non-performing assets (NPAs) as per guidelines laid down by the Reserve Bank of India (RBI). Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI. .

Provision for Non-Performing Assets is made as per the provisioning norms approved by the board for each type of lending activity subject to the minimum provisioning requirements specified by Reserve Bank of India.

f. Property, plant and equipment

Property, plant and equipment are stated at the cost less depreciation, including expenses incurred in bringing the same to its present location and working condition.

The Company uses straight line method and depreciation is provided on pro-rata basis on the carrying amount of property, plant and equipment. The carrying amount is calculated after reducing 5% of the value of property, plant and equipment as residual value. Depreciation is charged based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

Impairment of assets: At each balance sheet date the company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds the recoverable amount, impairment loss is recognised in the statement of profit and loss to the extent the carrying amount exceeds the recoverable amount.

g. Investments

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on Management's intention. Current investments are carried at the lower of cost and fair value of each investment individually. Long Term Investments are carried at cost less provisions recorded to recognise any decline, other than temporary, in carrying value of each investment.

h. Impairment of Assets

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of such assets and from their ultimate disposal. A provision for impairment loss is recognized where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sale of the asset.

i. Employee benefits

Defined contribution plan

The Company has no obligations under these plans.

Other short-term benefit

There is no obligation in respect of leave encashment.

j. Taxes on income

Tax expense comprises current tax and deferred income tax.

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current income tax relating to items recognised directly in equity and is recognised in equity and not in the statement of profit & loss.

Deferred Tax Assets (DTA) are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward unabsorbed depreciation and losses, DTA are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which DTA can be realised. These are reviewed for the appropriateness of their respective carrying values at each Balance sheet date.

MSKA & ASSOCIATES

k. Provisions and Contingent Liabilities

The Company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provision is determined based on best estimate required to settle the obligation at the reporting date.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or in respect of present obligations that arise from past events but are not recognized as they probably will not require an outflow of resources or a reliable estimate of their amount cannot be made.

The Company does not recognize assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the financial statements of the period in which the change occurs.

l. Cash & Cash Equivalents

Cash and cash equivalents comprise cash and deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

m. Leases

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Since significant portion of risks and rewards are retained by lessor in respect of assets acquired on lease, they are classified as operating lease and the lease rentals are charged off to revenue account.

n. Foreign Currency Transactions

The company has not entered into any Foreign Currency Transactions during the year.

o. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p. Borrowing cost

Borrowing costs, which are directly attributable to the acquisition / construction of fixed assets, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

MSKA & ASSOCIATES GURUGRAM

Exclusive Leasing and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

2 Share capital	As at March 31, 2020	As at March 31, 2019
Authorised		
20,000,000 equity shares of Rs. 10 each (Previous Year 3,000,000 equity shares)	200,000,000	30,000,000
Issued, subscribed and fully paid up		
10,000,000 equity shares of Rs. 10 each (Previous Year 2,000,000 equity shares)	100,000,000	20,000,000

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	Year ended March 31, 2020		Year ended March 31, 2019	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	2,000,000	20,000,000	2,000,000	20,000,000
Issued during the year	8,000,000	80,000,000	-	-
Outstanding at the end of the year	10,000,000	100,000,000	2,000,000	20,000,000

b) Detail of shareholders holding more than 5 % shares in the Company

	As at March 31, 2020		As at March 31, 2019	
Name of Shareholders	Number	% holding	Number	% holding
Ashish Bhandari	2,730,000	27%	-	0%
V.K Bhandari & Sneh Bhandari (Joint shareholders)	2,100,000	21%	-	0%
Rohit Anand	2,000,000	20%	-	0%
Ashish Bhandari & Prerna Bhandari (Joint shareholders)	2,000,000	20%	-	0%
Insta Appliances Private Limited	600,000	6%	-	0%
Ram Gopal Verma	-	0%	110,600	6%
Triveni Trust	-	0%	1,881,700	94%

c) Terms / rights attached to ordinary shares

The Company has only one class of Equity Shares having a par value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

d) The company has not allotted any equity shares as fully paid up by the way of bonus shares or other than consideration in cash in the last 5 years.

3 Reserves & surplus	As at March 31, 2020	As at March 31, 2019
a) Statutory reserve		
Balance at the beginning of the year	17,701,981	17,701,981
Add: Transferred from Statement of profit and loss	3,600	-
Balance at the end of the year	17,705,581	17,701,981
b) Securities premium account		
Balance at the beginning of the year	1,075,000	1,075,000
Addition during the year	-	-
Balance at the end of the year	1,075,000	1,075,000
c) Deficit in the statement of profit and loss		
Balance at the beginning of the year	(16,804,967)	(14,438,538)
Add: Loss transferred from Statement of Profit and Loss	(52,187)	(2,366,429)
Less: Transfer to statutory reserve	(3,600)	-
Balance at the end of the year	(16,860,754)	(16,804,967)
	1,919,827	1,972,014

MSKA & ASSOCIATES
GURUGRAM

Exclusive Leasing and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

4 Long Term Borrowings

	As at March 31, 2020	As at March 31, 2019
Unsecured Loans:		
Inter Corporate Deposits	20,000,000	-
	20,000,000	-

Terms of repayment, security and interest rate:

Name of the Depositor	Deposit Amount	Period of Deposit (in years)	ROI (p.a)	Outstanding Balance as at March 31, 2020	Interest on Deposits Accrued till March 31, 2020	Outstanding Balance (including Interest Accrued Net of TDS) as at March 31, 2020
Sakra Leasing Private Limited	7,000,000	2	15%	7,000,000	5,753	7,005,178
Up Money Limited	5,000,000	2	13%	5,000,000	146,027	5,131,424
Up Money Limited	5,000,000	2	13%	5,000,000	146,027	5,131,424
V.P. Diagnostics Private Limited	3,000,000	3	11%	3,000,000	32,548	3,029,293
Total	20,000,000			20,000,000	330,355	20,297,319

5 Other long term liabilities

	As at March 31, 2020	As at March 31, 2019
First Loan Default Guarantee in terms of Cash Collateral against Loans and Advances	5,940,419	375,000
	5,940,419	375,000

6 Long term provisions

	As at March 31, 2020	As at March 31, 2019
Provision for Loans*:		
For standard assets	43,566	12,500
	43,566	12,500

* This is in line with RBI provisioning norms

7 Short term borrowings

	As at March 31, 2020	As at March 31, 2019
Unsecured Loans:		
Bank Overdraft*	8,949,304	-
	8,949,304	-

*Overdraft Facility of Rs.9,000,000/- at an interest Rate of 9.00% is secured against Fixed Deposit amounting Rs. 10,000,000 placed with IDFC Bank Limited, Model Town, Jalandhar.

NSKA & ASSOCIATES GURUGRAM

Exclusive Leasing and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

8 Trade Payables

	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises	282,384	22,500
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	282,384	22,500

Disclosure relating to suppliers registered under Micro, Small and Medium Enterprises Development Act based on the information available with the Company:

The required disclosure under the MSMED Act are given below:

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
The principal amount	282,384	22,500
The interest due thereon	-	-
(b) the amounts paid by the buyer during the year:	-	-
Interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006)	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

9 Other Current Liabilities

	As at March 31, 2020	As at March 31, 2019
Payable to Co-lender*	1,431,000	-
Interest accrued on inter-corporate deposits	297,319	-
Statutory dues payable	97,025	-
Rent Equalisation	28,901	-
Amount payable to Borrowers	94,391	16,800
	1,948,636	16,800

* Payable amount for cases entered in the month of March, 2020 under Co-Lending Agreement with M/s Amrit Malwa Capital Limited

10 Short Term Provisions

	As at March 31, 2020	As at March 31, 2019
Provision for Loans*:		
For standard assets	40,405	18,750
	40,405	18,750

* This is in line with RBI provisioning norms

ASKA & ASSOCIATES GURUGRAM

Exclusive Leasing and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

11 Property plant and equipment-Tangible assets

Particulars	Gross Block				Depreciation				Net Block	
	As at March 31, 2019	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2020	As at March 31, 2019	For the year	On Deductions/ Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Own assets										
Furniture and fixtures	-	362,368	-	362,368	-	8,583	-	8,583	353,785	-
Office equipments	-	147,524	-	147,524	-	4,847	-	4,847	142,677	-
Computers	-	165,163	-	165,163	-	10,726	-	10,726	154,437	-
Leasehold improvements	-	525,823	-	525,823	-	17,350	-	17,350	508,473	-
	-	1,200,878	-	1,200,878	-	41,506	-	41,506	1,159,372	-

Note: There were no assets held at anytime during the Previous Year i.e F.Y 2018-19.

ASKA & ASSOCIATES
SUNDARAM

Exclusive Leasing and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

12 Non current investments

	As at March 31, 2020	As at March 31, 2019
Investments in Equity Shares		
Quoted		
Dhanuka Agritech		
(26 Equity shares @ Rs.0.30 each)	-	8
	-	8
Aggregate amount of quoted investments	-	8
Aggregate amount of unquoted investments	-	-

13 Long-term loans and advances

	As at March 31, 2020	As at March 31, 2019
Secured and considered good		
Loans against Hypothecation of Assets	17,426,233	5,000,000
Security Deposits	203,000	-
	17,629,233	5,000,000

14 Other non-current assets

	As at March 31, 2020	As at March 31, 2019
Expenses for increasing authorised capital	1,224,000	-
Deposits with original maturity for more than 12 months *	10,477,312	-
	11,701,312	-

* Pledged as security against the Bank Overdraft

15 Current Investments

	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
	No. of Shares/Units		Amount	
Investments in mutual funds				
Kotak Mutual Fund- Growth (Regular Plan) (1,408,074.033 units of face value of Rs.31.9525 each and 311,589.574 units of face value of Rs.32.0935 each)	1,719,664	-	54,991,486	-
Nippon India Mutual Fund Direct Plan (1309 units of face value of Rs.1528.74 each)	-	1,309	-	2,001,660
			54,991,486	2,001,660

MSKA & ASSOCIATES

Exclusive Leasing and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

16 Cash and bank balances

	As at March 31, 2020	As at March 31, 2019
Balances with banks		
-Current Accounts	1,942,549	1,817,758
Cash on hand	25,117	23,440
	1,967,666	1,841,198

17 Short term loans and advances

	As at March 31, 2020	As at March 31, 2019
Secured and considered good		
Loans against hypothecation of assets	16,162,302	-
Unsecured and considered good		
Inter-Corporate loans	-	7,500,000
Balance with government authorities	65,306	597,034
TDS receivable	187,111	-
Other advances*	35,157,069	-
	51,571,788	8,097,034

* Advance given to Northern India Consultants Private Limited for purchase of 350,000 shares of Midland Microfin Ltd @ Rs. 103.42 per share.

18 Other Current Assets

	As at March 31, 2020	As at March 31, 2019
Other Receivable	1,722	5,465,864
Prepaid Expenses	10,260	11,800
Other assets	96,000	-
	107,982	5,477,664

MSKA & ASSOCIATES
GURUGRAM

Exclusive Leasing and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

19 Revenue from operations

	Year ended March 31, 2020	Year ended March 31, 2019
Interest income		
Loans and advances	2,900,466	1,048,871
Fixed deposits	530,347	-
Other operating income		
Processing fees	122,500	-
Documentation charges	45,400	-
Profit on sale of Mutual Funds	1,305,373	143,839
Dividend income	22,498	-
Other charges	854	-
	5,026,998	1,192,710

20 Other Income

	Year ended March 31, 2020	Year ended March 31, 2019
Profit on Sale of Equity Shares	9,673	
Interest on Income tax refund	29,463	-
Liability no longer required, written back	625	-
	39,761	-

21 Employee benefits expense

	Year ended March 31, 2020	Year ended March 31, 2019
Salary, allowances and incentives	1,244,672	-
Staff welfare expenses	41,450	-
	1,286,122	-

22 Finance Cost

	Year ended March 31, 2020	Year ended March 31, 2019
Interest Expense	1,115,304	-
Bank Interest and Bank Charges	4,491	372
	1,119,795	372

23 Other Expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Legal and Professional	1,338,400	11,730
Rent	294,192	21,240
Amortization of Capital Expenses	306,000	-
Travelling and Conveyance	281,318	-
Provision for Standard Assets	52,721	31,250
Fees and Subscription	58,990	141,200
Repair and Maintenance	25,324	-
Electricity	10,888	-
Rates and Taxes	21,900	-
Advertisement Expenses	12,600	-
Loss due to assignment of loan assets	-	3,256,500
Payment to auditors (refer note below)	150,000	15,000
Bad Debt written off	-	18,333
Donation	11,250	-
Communication expenses	17,748	-
Office Expenses	28,629	-
Printing and Stationery	6,107	-
Miscellaneous	83,791	5,010
	2,379,493	3,500,263

Payment to auditor

	Year ended March 31, 2020	Year ended March 31, 2019
Statutory audit	150,000	15,000

MSKA & ASSOCIATES
GURUGRAM

Exclusive Leasing and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

24 Deferred Tax Liability

Gross Deferred Tax Assets and Liabilities are as follows:

Particulars	As at March 31, 2020	Charge/ (Benefit) during the year	As at March 31, 2019
Deferred Tax Asset			
- Rent	7,274	7,274	-
Deferred Tax Liability			
- Depreciation on Property, Plant and Equipment	11,372	11,372	-
Net Deferred Tax Liability	4,098	4,098	-

25 The Company does not have any pending litigations which would impact its financial position.

26 Earning Per Share

Particulars	As at March 31, 2020	As at March 31, 2019
Net profit/ (loss) attributable to equity shareholders for basic and diluted EPS (a)	(52,107)	(2,366,429)
Weighted average of number of equity shares outstanding during the year (b)	5,424,658	2,000,000
Nominal value of shares	10	10
Basic and diluted loss per equity share (a/b)	(0.01)	(1.18)

27 In accordance with the Accounting Standard (AS-18) on "Related Party Disclosures", the disclosures are as follows:

A. Name of Related Parties and Nature of Relationship
Related parties with whom transactions have taken place during the year

Name of related parties

Enterprises over which individual is able to exercise significant influence	Agile Finserv Private Limited
Name of the individual interested	Ashish Bhandari, Shareholder
	V.K. Bhandari & Sneh Bhandari, Shareholder
	Rohit Anand, Shareholder
	Ashish Bhandari & Prerna Bhandari, Shareholder
Related party in which director is interested	Northern India Consultants Private Limited
Name of the Director interested	Monica Nagpal
	Kumar Shalya Gupta
	Uttam Kumar

B. Transactions with related parties during the year

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Agile Finserv Private Limited		
Loan given	-	3,500,000
Repayment of loan during the year	3,500,000	-
Loan taken	17,000,000	-
Repayment of loan during the year	17,000,000	-
Interest expense	449,795	-
Interest income	19,542	-
Northern India Consultants Private Limited		
Interest income on advance	174,521	-
Interest income on loan	33,534	-
Advances given	35,000,000	-
Loan given	-	4,000,000
Repayment of loan during the year	4,000,000	-

C. Balance outstanding at the end of the year

Particulars	As at March 31, 2020	As at March 31, 2019
Northern India Consultants Private Limited		
Other advances	35,000,000	-
Accrued interest	174,521	-

MSKA & ASSOCIATES GURUGRAM

Exclusive Leasing and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

28 **Segment Information**
The Company's main business is to provide loans. There are no business operations located "Outside India". Hence all the activities are considered as a "Single business/ Geographical Segment" for the purposes of Accounting Standard on Segment Reporting (AS-17), issued by the Institute of Chartered Accountants of India.

29 There are no expenditure and earnings in foreign currency.

30 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

31 There were no amounts which were required to be transferred to the Investor and Protection Fund by the Company.

32 The Company avails Long Term Leases for Office Premises including Office Furniture for a period between 1 and 9 Years. The total expense incurred under the operating lease agreements recognized as an expense in the Statement of Profit and Loss during the year is Rs. 296,197 (Previous Year Rs. 21,240). Expected future minimum commitments for non cancellable period of leases together with any further periods for which the lessee has the option to continue the lease of the asset, with or without further payment, which option at the inception of the lease it is reasonably certain that the lessee will exercise are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Payable within one year	812,197	-
Payable between one and five years	3,380,076	-
Payable later than five years	1,294,806	-

33 **Disclosures required for NBFC as per Master Direction - Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016**

i Percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets - Nil (Previous Year - Nil)

ii **Statement for Disclosure on Statutory Reserves, as prescribed by RBI vide RBI/2006-07/132 DBOD.BP.BC No. 31/ 21.04.018/ 2006-07 dated September 20, 2006:**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Balance at the beginning of the year	17,701,981	17,701,981
Addition / Appropriation / Withdrawal during the year	3,600	-
Balance at the end of the year	17,705,581	17,701,981

iii The Company does not have any joint ventures and subsidiaries abroad as at March 31, 2020 as well as in the previous year.

iv The Company has not entered into any derivative transactions during the year. Refer in Note No. 30.

v The Company has not entered any Forward rate / Interest rate swap agreement during the year.

vi **Securitisation/ Assignment during the year:**
a. There are no Special Purpose Vehicles (SPVs) sponsored by the Company.
b. The Company has not sold any Financial Assets to Securitisation/ Reconstruction Company for Asset Reconstruction during the current year as well as previous year.
c. The Company has not entered into any assignment transactions during the current year as well as previous year.
d. The Company has neither purchased nor sold any non-performing financial assets from/ to any other housing finance companies during the current year as well as previous year.

vii **Details of non-performing financial assets purchased /sold**
The Company has not purchased/ sold any non-performing financial assets from other NBFCs in March 31, 2020 as well as in previous year.

viii **Exposure to real estate sector, both direct and indirect**
The Company does not have any direct or indirect exposure to the real estate sector as at March 31, 2020 as well as in the previous year ended March 31, 2019.

MSKA & ASSOCIATES
GURUGRAM

(All amounts are in Indian rupees, unless otherwise stated)

ix **Exposure to Capital Market**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds, the corpus of which is not exclusively invested in corporate debt;	54,991,446	2,007,460
Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
Bridge loans to companies against expected equity flows / issues;	-	-
All exposures to Venture Capital Funds (both registered and unregistered)	-	-

x **Details of financing of parent company products**
The Company has not finance any of the parent Company product.

xi **Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL)**
The Company has not exceeded the prudential exposure limit for single borrower or group borrower during the year.

xii **Unsecured Advances**
The Company has not given any unsecured advances during the year end as on March 31, 2020.

xiii **Miscellaneous**
a. Reserve Bank of India - Registration Number: 14.01142
b. From Ministry of Corporate Affairs - U65921DL1984PLC016746
The company has not obtained registration from any other financial sector regulator.

xiv No penalties have been levied by any regulator during the year ended March 31, 2020 as well as in the previous year.

xv **Rating assigned by Credit Rating Agencies and migration of rating during the year**

Non Convertible Debentures/Bonds	NR
Bank loans (rated on long term/short term scale)	NR
Commercial Paper Programme	NR
Tier II Bonds	NR

xvi **Related party transactions**
Related party transactions are disclosed in Note No. 27.

xvii **Remuneration of Directors**
There is no remuneration paid to directors. Refer in Note No. 27.

xviii **Management**
Management discussion and analysis report shall form part of Board of Directors Report.

xix During the year, no transaction was accounted which was related to prior period (Refer Note 1).

xx During the year, no item of revenue recognition had been postponed except as disclosed in accounting policy for revenue recognition (Refer Note 1).

xxi Company does not have any parent company or subsidiary, hence provision of AS 21 is not applicable on the Company.

xxii The Company has not reported any frauds during the year and in the previous year, based on management reporting to the RBI through prescribed returns.

MSKA & ASSOCIATES
GURUGRAM

Exclusive Lending and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

K(4) Asset liability management
Maturity pattern of certain items of assets and liabilities as on March 31, 2020 and March 31, 2019*

Description	Upto 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities:									
Inter-Corporate Deposits	-	-	-	-	297,319	20,000,000	-	-	20,297,319
First Loss Default Guarantee in terms of Cash Collateral against Loans and Advances	-	-	-	-	-	5,940,619	-	-	5,940,619
(Previous Year)	-	-	-	-	-	(375,000)	-	-	(375,000)
Total	-	-	-	-	297,319	25,940,619	-	-	26,237,938
(Previous Year)	-	-	-	-	-	(375,000)	-	-	(375,000)
Assets:									
Advances	703,152	485,904	1,234,639	4,410,440	9,328,167	17,426,233	-	-	33,588,535
(Previous Year)	(7,000,000)	(546,574)	(1,047,328)	(751,288)	(2,326,470)	(808,240)	-	-	(12,580,000)
Total	703,152	485,904	1,234,639	4,410,440	9,328,167	17,426,233	-	-	33,588,535
(Previous Year)	(7,000,000)	(546,574)	(1,047,328)	(751,288)	(2,326,470)	(808,240)	-	-	(12,580,000)

* The Company do not have any investments and foreign currency assets

MSKA & ASSOCIATES GURUGRAM

(All amounts are in Indian Rupees, unless otherwise stated)

33 Disclosures required for NBFC as per Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

xxiv Provisions and Contingencies

Particulars	As at March 31, 2020	As at March 31, 2019
Loss on loans & advances written off	-	3,256,508
Provision for Standard Assets	83,971	31,258
Provisions for depreciation on investment	-	-
Provision towards NPA	-	-

xxv Concentration of Deposits, Advances, Exposures and NPAs

a. Concentration of public deposits - The Company is a non-deposit NBFC. Hence, there is no public deposits.

b. Concentration of NPAs

Particulars	As at March 31, 2020	As at March 31, 2019
Total exposure to top ten NPA accounts	-	-

c. Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2020	As at March 31, 2019
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	-	-
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

d. Movement of NPAs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Net NPAs to Net Advances (%)	-	-
(ii) Movement of NPAs (Gross)		
a) Opening balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
(iii) Movement of NPAs (Net)		
a) Opening balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-

MSKA & ASSOCIATES
GURUGRAM

(All amounts are in Indian rupees, unless otherwise stated)

xxvi **Overseas Assets**

The Company does not have overseas assets during March 31, 2020 and March 31, 2019.

xxvii The Company do not have any Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms) as at March 31, 2020 and March 31, 2019.

xxviii **Disclosure of customer complaints**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
a) No of complaints pending at the beginning of the year	-	-
b) No of complaints received during the year	-	-
c) No of complaints redressed during the year	-	-
d) No of complaints pending at the end of the year	-	-

xxix **Disclosure of restructured accounts**

The Company does not have any restructured accounts under CDR Mechanism or others as at March 31, 2020 and March 31, 2019.

MSKA & ASSOCIATES
GURUGRAM

Exclusive Leasing and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

33 Disclosures required for NBFC as per Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

Xxx Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company

	Particulars	Amount outstanding	Amount overdue
	Liabilities side:		
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured (including infrabond)	-	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	20,000,000	-
	(e) Commercial Paper	-	-
	(f) Public Deposits	-	-
	(g) Other Loans	-	-
	(i) Financial Institutions	-	-
	(ii) Lease liability	-	-
(2)	Breakup of (1)(f) above (Outstanding Public Deposit inclusive of interest accrued thereon but not paid):		
	(a) In the form of unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other Public Deposits	-	-

	Assets side:	Amount outstanding
(3)	Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]:	
	(a) Secured (net of provision of Rs. 63,479)	33,504,563
	(b) Unsecured	-
(4)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors:	
	(a) Financial lease	-
	(b) Operating lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	-
	(b) Repossessed Assets	-
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-
(5)	Break-up of Investments:	
	Current Investments:	
	1. Quoted:	
	(i) Shares: (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. Unquoted:	
	(i) Shares: (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	54,991,486
	(iv) Government Securities	-
	(v) Others	-

	Assets side:	Amount outstanding
	Long Term investments:	
	1. Quoted:	
	(i) Shares: (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. Unquoted:	
	(i) Shares: (a) Equity (net of provisions)	-
	(b) Preference	-
	(ii) Debentures and Bonds (net of provisions)	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (Security Receipts) (net of accumulated decrease in fair value)	-
	Total	54,991,486

(6)	Borrower group-wise classification of assets financed as in (3) and (4) above:			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group (Refer Note 39)		-	-
	(c) Other related parties		-	-
	2. Other than related parties	33,504,563	-	33,504,563
	Total	33,504,563	-	33,504,563

(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
	Category	Market Value / Break up or fair value or NAV	Book value (net of provisions)
	1. Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2. Other than related parties	-	54,991,486
	Total	-	54,991,486

(8)	Other Information	
	Particulars	Amount
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	-
	(ii) Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	-
	(iii) Assets acquired in satisfaction of debt	-

MSKA & ASSOCIATES
GURUGRAM

(All amounts are in Indian rupees, unless otherwise stated)

34 Disclosures required for NBFC as per RBI circular RBI/2016-17/122 DBR.No.BP.BC.34/21.04.132/2016-17 dated November 10, 2016

i. Disclosures on flexible structuring of existing loans

Period	No. of borrowers taken up for flexibly structuring	Amount of loans taken up for flexible		Exposure weighted average duration of	
		Classified as Standard	Classified as NPA	Before applying flexible structuring	After applying flexible structuring
FY 2016-17	-	-	-	-	-
FY 2018-19	-	-	-	-	-
FY 2019-20	-	-	-	-	-

ii Disclosures on flexible structuring of existing loans

No. of accounts where SDR has been invoked	Amount outstanding as on reporting date		Amount outstanding as on report date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on report date with respect to accounts where conversion of debt to equity has taken place	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY 2016-17	-	-	-	-	-	-
FY 2018-19	-	-	-	-	-	-
FY 2019-20	-	-	-	-	-	-

iii Disclosures on Change in ownership Outside Strategic Debt Restructuring Scheme (accounts which are currently under standstill period)

No. of accounts where banks have decided to effect change in ownership	Amount outstanding as on the reporting date		Amount outstanding as on reporting date with respect to the accounts where conversion of debt/invocation of pledge of equity shares is pending		Amount outstanding as on reporting date with respect to the accounts where conversion of debt/invocation of pledge of equity shares has taken place		Amount outstanding as on reporting date with respect to accounts where change in ownership is envisaged by issuance of fresh shares or sale of promoters equity	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY 2016-17	-	-	-	-	-	-	-	-
FY 2018-19	-	-	-	-	-	-	-	-
FY 2019-20	-	-	-	-	-	-	-	-

MSKA & ASSOCIATES GURUGRAM

Exclusive Leasing and Finance Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian rupees, unless otherwise stated)

35 The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day 1.0 lockdown across the country to contain the spread of the virus, which was further extended till May 3, 2020, May 17, 2020 and May 31, 2020. This pandemic and response thereon are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

Pursuant to Reserve Bank of India (RBI) Circulars dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 - Regulatory Package', Company granted moratorium of three months on payments of all instalments falling due between March 1, 2020 and May 31, 2020 to all willing borrowers. For all such accounts where the moratorium is granted, the days past due status as at March 31, 2020 is based on the days past due status as on February 29, 2020. The Company continues to recognize interest income during the moratorium period.

In wake of continued disruption and extension of lockdown, RBI vide its circular dated May 23, 2020, permitted to extend the moratorium period by another three months, from June 1, 2020 to August 31, 2020 on payment of all instalments. The Company has passed on the benefit to its borrowers to ease out the financial burden. But due to partial lifting of the lockdown from around third week of May, 2020 onwards, many of the Company's borrowers have resumed their income activities and are opting out of the moratorium scheme.

The Company is hopeful that economic activities will gradually crawl back to normalcy.

36 The quantitative disclosures as required by the above referred RBI circular dated April 17, 2020 are given below:

Particulars	Amount
a) Respective amounts, where amounts in loan asset categories, where the moratorium/ deferrment was extended in terms of paragraph 2 and 3 of the circular	-
b) Respective amount where asset classification benefits is extended	-
c) Provisions made during the quarter ended March 31, 2020 in terms of para 5 of the circular	-
d) Provisions adjusted during the respective accounting periods against slippages in terms of paragraph 6 of the circular	-
e) Residual provisions as of March 31, 2020 in terms of paragraph 6 of the circular	-

37 Previous year's figures have been regrouped/ reclassified, where necessary to conform to current year classification.

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Manish P Bathija
Partner
Membership Number: 216706

Place: Gurugram
Date: 25-11-2020

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Limited
CIN: U65921DL1984PLC018746

Monica Mittal
Director
DIN: 07905476

Place: Jalandhar
Date: 21-11-2020

Kumar Uttam
Director
DIN: 07111470

Place: Jalandhar
Date: 21-11-2020

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

EZ CAPITAL

Annual Report

of

Exclusive Leasing and Finance Private Limited

(Formerly Known as Exclusive Leasing and Finance Limited)

For the Financial year

2020-2021

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

Corporate Information

Board of Directors	Mr. Vijay Kumar Bhandari Mr. Ayodhya Prasad Anand Ms. Monica Mittal Mr. Kumar Uttam Mr. Kumar Shalya Gupta Ms. Nikita Arora
Company Secretary	Mr. Karan Jairath
Statutory Auditors	M/s MSKA & Associates
Registered Office	Flat No. 315, 3rd Floor, Arunachal Building, 19, Barakhamba Road, New Delhi – 110001
Corporate Office	11, Ground Floor, City Square Building, EH 197 Civil Lines, GT Road, Jalandhar-144001, Punjab, India
CIN	U65921DL1984PTC018746
Registrar & Share Transfer Agent	M/s Skyline Financial Services Private Limited
Bankers	IDFC Bank ICICI Bank
Debenture Trustee	M/s Catalyst Trusteeship Limited

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

It is often during the most Challenging times

where there is

the Greatest Opportunity to redefine yourself.

-Shilagh Mirgain

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

Background:

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited) (hereinafter referred to as "ELFPL") is a Non-Systemically Important Non-Deposit Taking Non-Banking Financial Company, holding a Certificate of Registration dated September 15, 1999, from the Reserve Bank of India ("RBI").

Business Update:

ELFPL took a cautious approach to mitigate the risks arisen due to its continuous drones.
The Company has reshaped its strategies to survive these uncertain times. Employee's protection was the utmost important concern of the Company. The Company adopted the staggered work shifts and Work from home culture in accordance with the need of scenarios that kept screening.

The Pandemic Plunge and the Halt:

The Covid-19 Pandemic has affected the world really bad in the last two years. The upturns have manifold the suffering given, resulting in a significant decrease in the economic activities globally as well as across our country.

However, Government has come up with many fiscal and Monetary measures to reduce the crippling impact of the pandemic on the lives of people. Partial Lockdowns were imposed to control the Covid strains. Fortunately, Vaccines were developed which managed to bring succour to the sufferings of mankind.

The re-emergence of COVID-19 was not extensive but paramount in first half of Q1: 2021-22. The second wave proved to be more ferocious to the economy. The long-drawn lock-down has made the economy go haywire.

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

DIRECTORS' REPORT

To
The Esteemed Members

Your Directors are pleased to present the 36th Annual Report and the Company's audited accounts for the financial year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

You being our valued partners in the Company, we share our vision of growth with you and our guiding principles are a blend of optimism which has been and will be the guiding force of all our future endeavors.

The Board is under the process of formulating the policies and to do every possible effort to refine the quality of the portfolio and to strengthen the services while widening its scope in all financial areas and to explore new segments. The management major vision is to brand your Company PAN India in order to come over with every needs of the financial sector whether may be for commercial wise or personal loans or for investment segment.

The Company has formulated new loan products and entered into strategic alliance with other NBFCs for Co-lending arrangement. The Company is hiring new team members and expanding the business operations of the Company geographically.

The Company's financial performance for the year ended March 31, 2021 and previous year is as under:

(Figures rounded off in lakh Rs.)

S.No.	Particulars	Current Year ended March 31,2021	Previous year ended March 31, 2020
1.	Revenue from Operations	315.77	50.27
2.	Other Income	0	0.40
3.	Expenditure (excluding depreciation)	291.22	49.85
4.	Depreciation	2.19	0.42
5.	Loans & Advances	2558.52	276.48
6.	Profit/Loss before taxes	22.36	0.40

7.	Taxes/Adjustment	17.16	0.92
8.	Net profit/loss after tax	5.20	(0.52)
9.	Paid up Capital	1000.00	1000.00
10.	Reserve & surplus	24.40	19.20
11.	Net Owned Funds	1024.02	1019.20
12.	Earnings Per Share	0.05	(0.01)

Your Company has managed to increase the business operations of the Company manifold. The Overall performance of the Company during the financial year has been good even during the critical scenario where the condition of whole economy had become chaotic. ELFPL developed the strategies to combat the gloomy impacts of Covid. Your Company managed to limit the adverse effects of monster Covid on its business operations.

During the Financial year under review, the Company has increased its revenues from Operations to Rs. 315.77 Lacs in from Rs. 50.67 Lacs in the financial year 2019- 2020.

TOTAL GROSS INCOME

The total gross income of the Company for the financial year 2020-21 stood at Rs. 315.77 Lakhs against Rs. 50.67 Lakhs for the previous financial year 2019-20. With the new strategy and ideas of the new management, the Board is confident to achieve remarkable heights and increase the returns in the coming years.

NET PROFITS

Your Company has performed well during the financial year 2020-2021. The Management of your Company has been successful in steering the Company from Loss to Profits the resulting into profits of Rs. 5.20 Lakhs in this Financial Year. The management is making best efforts to increase the revenue further facilitate the company to earn high profits.

NET OWNED FUNDS

Net Owned Funds of the Company as on March 31, 2021 increased to Rs. 1024.02 lakhs as compared to Rs. 1019.20 lakhs as on March 31, 2020 due to Profits earned by the Company.

LOANS & ADVANCES

The Company follows a very meticulous approach while disbursing the Loans. The Company has entered into multiple strategic alliances with other NBFCs like Co-lending arrangement, Cross selling and Business Correspondence Arrangements etc. The Total Loans and advances of the Company increased to Rs. 2558.52Lakhs as on March 31, 2021 against Rs. 276.48Lakhs in the previous year ended on March 31, 2020.

OPERATIONS - PROSPECTS AND FUTURE PLAN

The Company wishes to expand both vertically as well as horizontally. Your management has taken this decision keeping in mind various factors. The vertical and horizontal expansion would ensure that both the products as well as the geographical area of the Company are enhanced which will reduce the weighted average risk of the portfolio. The Company has identified new areas to increase the geographical expansion and also shortlisted new products for executing the expansion and diversification plan. Inconsiderate to the expansion plans of the company, the management has decided to increase its operations by increasing its outreach to new geographies, diversification in new products, increase in financing of existing products, and entering into strategic alliances with other NBFCs for increasing the efficiency and leverage the vintage of the company. With change in management of the Company, the ultimate goal of the company for future is to strengthen and expand its client base across and to provide them world class service.

BORROWINGS

The outstanding borrowings of the Company as on March 31, 2021 stood at Rs. 1809.93 Lakhs as compared to Rs. 289.49 Lakhs as on March 31, 2020. The said Borrowings include inter-corporate Loans and Bank Overdraft.

CHANGE IN THE NATURE OF BUSINESS

During the financial year 2020-21, no change in nature of the business has taken place.

RESERVE BANK OF INDIA - REGULATORY UPDATE

Your Company has been following all the relevant guidelines and directions issued by the Reserve Bank of India from time to time. The Company has been classified as a registered Category-B, NBFC (Non-Banking Financial Company). The Company has been submitting regularly all necessary returns to RBI and ensuring compliance of all the regulatory norms.

DEPOSITS

The Company being a Category-B Non-Deposit taking NBFC registered with Reserve Bank of India has not accepted any public deposits during the financial year 2020-21.

FAIR PRACTICES CODE

Your Company has duly complied with the provisions of RBI relating to the maintenance and review of the Fair Practice Code. ELFPL has adopted Fair Practices Code, which provides operating guidelines for effective dissemination and implementation of responsible business practices and grievance redressal system. The Company is implementing the best policies prevalent in the industry for transparency and efficient recovery. Further, the Company is also complying with the KYC Procedures as a tool to Risk Management.

The Fair Practices Code of the Company is reviewed at regular intervals by the management of the Company.

DISCLOSURES PURSUANT TO COMPANIES ACT, 2013 & CORRESPONDING RULES UNDER THE ACT:

WEB ADDRESS, IF ANY, WHERE ANNUAL RETURN REFFERED TO IN SUB-SECTION (3) OF SECTION 92 HAS BEEN PLACED

The Company has placed its annual return on its website. The same can be viewed at www.ezcapital.in.

CHANGE IN THE COMPOSITION OF THE BOARD OF DIRECTORS DURING THE YEAR

During the financial year 2020-2021, Ms. Nikita Arora was regularised as the Director of the Company in its Annual General Meeting held on December 31, 2020. Besides this, no other change took place in the composition of the Board of Directors of the Company.

The composition of Board of Directors as on March 31, 2021 is as follows:

S. No.	DIN	Name	Designation
1	07111470	Kumar Uttam	Director
2	00052716	Vijay Kumar Bhandari	Director

3	06808974	Ayodhya Prasad Anand	Director
4	07905476	Monica Mittal	Director
5	02868064	Nikita Arora	Director
6	07553217	Kumar Shalya Gupta	Director

Further, Mr. Karan Jairath was appointed as the Company Secretary of the Company w.e.f December 10, 2020.

NUMBER OF BOARD MEETINGS WITH DATES AND NUMBER OF MEETINGS ATTENDED BY EACH DIRECTOR UNDER SECTION 134(3) (B) & SECRETARIAL STANDARD ON BOARD MEETINGS;

Particulars	Board Meetings	
No. of Meetings	12	
Dates of Board Meetings	• 01.05.2020 • 30.05.2020 • 22.06.2020 • 30.06.2020 • 17.08.2020 • 25.08.2020 • 28.08.2020	• 22.09.2020 • 26.10.2020 • 21.11.2020 • 28.11.2020 • 29.12.2020

NO. OF MEETINGS ATTENDED BY DIRECTORS

Name of Directors	Board Meeting entitled to attend	Board Meeting Attended	Attendence in AGM
Kumar Uttam	12	12	YES
Vijay Kumar Bhandari	12	3	YES
Ayodhya Prasad Anand	12	3	YES
Monica Mittal	12	12	YES
Kumar Shalya Gupta	12	12	YES
Nikita Arora	12	8	YES

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 134(3)(C); SEC 134 (5)(A) TO (F) AND SEC 134(5)(E)

In accordance with the applicable provisions of the Companies Act, 2013, your Directors state that: -

(i) In the preparation of the annual accounts, the applicable accounting standards and guidance provided by the institute of Chartered Accountants of India had been followed and that there are no material departures;

(ii) The Directors have 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;

(iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds & other irregularities;

(iv) The Directors have prepared the annual accounts on a going concern basis; and

(v) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, ATTRIBUTES, INDEPENDENCE ETC UNDER SECTION 178(1) & (3)

The Company has put in place 'Fit & Proper' criteria policy for considering the appointment and remuneration of Directors and Key Managerial Personnel as per the guidelines issued by RBI. The policy contains detailed procedures for determining qualification, positive attributes, due diligence mechanism and reference checks for appointment of Directors and Key Managerial Personnel.

APPOINTMENT OF INDEPENDENT DIRECTOR UNDER SECTION 149(4)

The Company was not required to appoint any Independent Director during the financial year ended on March 31, 2021, as the provisions of Section 149 (4) of Companies Act, 2013 are not applicable on it.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS U/S 149(6)

As the Company was not required to be appointed any Independent Director, therefore this disclosure is not required to be given.

DISQUALIFICATION OF DIRECTORS

On the basis of the written consent received from all the directors appointed in the Company, none of the director is disqualified under the provisions as mentioned in Section 164(2) of the Companies Act, 2013.

AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, M/S MSKA & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company for a term of 5 years until the conclusion of the Annual General Meeting to be held in the year 2025.

STATEMENT IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB- SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

No fraud was identified in all aspects by the Auditor or through the Company's internal control mechanism which would have a material impact on the financial statements.

COMMENTS BY THE BOARD ON QUALIFICATION, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY AUDITORS IN AUDIT REPORT

M/S MSKA & Associates, Chartered Accountants, Statutory Auditors of the company have audited the accounts of the company for the financial year 2020- 2021 as per the accounting standards followed in India. There is no qualification, reservations or adverse remarks given by the Auditors which need comments by the Board. The notes to accounts referred to in Auditors' Report has been discussed by the Board and are self-explanatory and therefore, in the opinion of the Directors, do not call for any further comments.

LOANS, GUARANTEES & INVESTMENTS UNDER SECTION 186

Pursuant to Section 186(11) of the Companies Act, 2013, loans made, guarantees given or securities provided or acquisition of securities by a Non-Banking Financial Company in the ordinary course of its business are exempted from disclosure requirements under Section 134(3) (g) of the Companies Act, 2013.

SECRETARIAL AUDIT

The provisions of section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 were not applicable to the Company, so, the Company has no requirement to obtain a Secretarial Audit Report from any Practicing Company Secretary (PCS) for the financial year ended March 31, 2021.

RELATED PARTY TRANSACTION UNDER SECTION 188 READ WITH RULE 8(2) OF COMPANY (ACCOUNT) RULES, 2014

The Company has not entered into any such material transactions with related parties covered under section 188 of the Companies Act, 2013 which have potential conflict with the interest of the Company. However, the transactions entered are in ordinary course of business and are at arm's length price. The same has been disclosed in the Notes to accounts forming part of the Balance Sheet in compliance with AS 18 of the Accounting Standards issued by ICAI.

STATE OF THE COMPANY'S AFFAIRS

All other affairs of the Company in details have been given separately in different sections of the Board Report.

AMOUNTS PROPOSED TO BE CARRIED TO RESERVES, IF ANY.

An amount of Rs. 1.04 Lakhs was transferred to Statutory Reserves Account pursuant to Section 45 (IC) of the Reserve Bank of India Act, 1934 during the financial year 2020-21.

AMOUNT TO BE PAID BY WAY OF DIVIDEND AS PER SECTION 134(3)(K) & SECTION 123

Due to the uncertain economic conditions, the Company plans to invest its profits to increase its business operations. The Board regrets its inability to recommend any dividend for the financial year 2020-21.

MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY, OCCURRING BETWEEN DATE OF FINANCIAL STATEMENTS AND THE BOARD'S REPORT

During the period after the closure of financial year and date of financial statements and Board's Report, no material changes & commitments affecting financial position of the company have occurred.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS &OUTGO, IN MANNER PRESCRIBED

A) Conservation of Energy

The Company being an NBFC, the energy consumed by the Company during this period is only in the form of electricity. The Company has allocated specific cost budgets for the same to reduce electric waste and the same is monitored on periodical basis. Other measures like use of LEDs, power saver air-conditioning equipments etc are being installed for conserving the energy. The company is also exploring for using alternative source of energy. There is no capital investment on energy conservation equipment other than specified above.

B) Technology Absorption

(i) Exclusive Leasing and Finance Private Limited is using user friendly software for its operational activities.

(ii) New Developments in Technology Field :-
The Company has not made any new development in the technology field.

(iii) The Company has not used any imported technology during the previous three financial years.

(iv) During the year, the Company has not incurred any expenditure on Research & Development.

C) Foreign exchange earnings and Outgo-

There was no foreign exchange inflow or outflow during the year under review

DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY

Risk is an integral part of every Company's business, and sound risk management is critical to the success of the organization. Your Company is exposed to risks that are particular to its environment within which it operates. The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout your Company. The risk management process is continuously improved and adapted to the changing global risk scenario. The Company has a comprehensive Risk Management Policy. Major risks identified in the processes are systematically addressed through mitigating actions on a continuing basis. These are discussed among the board of directors and corrective actions are taken as advised. The

Board reviews the risk management policies in relation to various risks and regulatory compliance issues.

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 read with rule 9 of Companies (Accounts) Rule, 2014 and Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable on the Company.

NAME OF THE COMPANIES WHICH HAS BECOME/CEASED TO BE SUBSIDIARIES /ASSOCIATES OR JOINT VENTURES DURING THE YEAR

During the financial year 2020-21, no Company became or ceased to be the subsidiary / Associate or joint venture of / Associate or joint venture of Exclusive Leasing and Finance Private Limited.

SEPARATE SECTION CONTAINING A REPORT ON PERFORMANCE AND FINANCIAL POSITION OF EACH OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any Subsidiary, Joint venture or Associate Company. Hence, no such separate report on performance and financial position is required.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS, TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company had applied for the conversion of the Company from Public Limited Company to Private Limited Company to the Ministry of Corporate Affairs, Central Government (Powers Delegated to Regional Director) and has received the approval order on November 26, 2020 for the same. In this regard, fresh certificate of incorporation pursuant to the conversion of the Company was issued to the Company on January 06, 2021.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A statement of adequacy of Internal Controls with reference to financial statements is attached with Auditor's report.

ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS, SWEAT EQUITY, ESOS ETC

The Company has not issued any equity shares with Differential Rights, Sweat Equity, ESOP etc.

TRANSFER OF UNPAID / UNCLAIMED DIVIDEND AND EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

As per section 124(5) of the Companies Act, 2013, the Company was not required to transfer any amount to the IEPF account.

NON-PERFORMING ASSETS

Your Company has a very strong and effective recovery system and as on March 31, 2021, the Company does not have any NPA.

PROVISIONING OF ASSETS AS PER RBI GUIDELINES

The Company has created provisions for Standard assets as required under RBI Guidelines amounting to Rs. 2.96 Lakhs as on March 31, 2021.

COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD - 1 AND SECRETARIAL STANDARD - 2

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

APPOINTMENT OF RELATIVES OF DIRECTORS TO AN OFFICE OR PLACE OF PROFIT

No person covered under the term 'Relatives' as per the Companies Act, 2013 has been appointed to an office or place of profit.

VOLUNTARY REVISION OF FINANCIAL STATEMENT S

The Company has not revised its financial statements during the financial year 2020-21.

DISCLOSURE IN RESPECT OF ANY MD / WTD RECEIVING COMMISSION FROM A COMPANY AND ALSO RECEIVING COMMISSION OR REMUNERATION FROM ITS HOLDING OR SUBSIDIARY COMPANY

The Company does not have any Managing Director/Whole Time Director, therefore no disclosure is required to be made.

ESTABLISHMENT OF VIGIL MECHANISM

Section 177 of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 provides for establishment of vigil mechanism for directors and employees. Although the said provisions are not applicable to the company but Exclusive Leasing and Finance Private Limited has framed Vigil Mechanism to report concerns to the management, about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy, without any fear or threat of being victimized.

DISCLOSURE OF VOTING RIGHTS NOT EXERCISED DIRECTLY BY THE EMPLOYEES IN RESPECT OF SHARES UNDER SECTION 67(3) READ WITH RULE 16(4) OF SHARE CAPITAL AND DEBENTURES RULES, 2014

During the current financial year 2020-21, none of the employees have exercised the voting rights in shares as specified Under Section 67 (3) read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

A DISCLOSURE AS TO WHETHER MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SECTION 148(1) OF THE COMPANIES ACT, 2013 IS REQUIRED BY THE COMPANY

The company being a Non-Banking Financial Company registered with Reserve Bank of India is not required to maintain the cost records as specified in the provisions of Section 148(1) of the Companies Act, 2013.

CUSTOMER GRIEVANCE REDRESSAL

Exclusive Leasing and Finance Private Limited has adopted a well-structured customer grievance redressal mechanism and provides customers a reliable and easily accessible interface for timely and fair resolution of enquires & complaints. The policy aims to minimize the instances of customer complaints through proper service delivery and review mechanism.

- **Grievance Redressal Officer** - We have appointed Grievance Redressal Officer (GRO). GRO monitors customer grievances at all the levels and is responsible for ensuring timely resolution of all complaints. A report on status of customer grievances is periodically reviewed at various levels of Management and the Board for decision making and minimizing complaints.

We are glad to inform that during the Financial year under review, the company has not received any complaint from any customer or employee.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL ACT 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013 has been notified by the ministry of Women and Child Development (WCD). The legislation came in force on December 09, 2013. According to Section 4 of the Act the employer is required to constitute internal complaints committee. Accordingly, the Company has formed Internal Complaints Committee headed by Ms. Monica Mittal, Director of the Company. However, no such complaints were received during the period under review.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

No such application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not entered into one-time settlement with any bank or financial institution, thus the disclosure is not required to be given by the Company.

ACKNOWLEDGEMENT

We are grateful to our Bankers, Central and State Governments, Reserve Bank of India, other statutory bodies and Investors for their co-operation and guidance. We appreciate company's staff for putting in their best. Our human resources have joined their hands at despair, which is an appreciable and a great piece of action. We express our sincere gratitude to our valued clients, depositors, hirers and associates for their trust and co-operation. Last but not least on behalf of the Board of Directors. We thank you dear shareholders for your continuous support at all times.

For & on behalf of
Exclusive Leasing and Finance Private Limited

Place: Jalandhar
Date: October 12, 2021

For Exclusive Leasing and Finance Private Limited
Director/Auth. Signatory

For Exclusive Leasing and Finance Private Limited
Director/Auth. Signatory

Kumar Uttam
(Director)
DIN: 07111470

For Exclusive Leasing and Finance Private Limited
Director/Auth. Signatory

Monica Mittal
(Director)
DIN: 07905476

MSKA
& Associates
Chartered Accountants

The Palm Springs Plaza
Office No. 1501-B, 15th floor
Sector-54, Golf Course Road
Gurugram 122001, INDIA
Tel: +91 124 281 9000

INDEPENDENT AUDITOR'S REPORT

To the Members of Exclusive Leasing and Finance Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Exclusive Leasing and Finance Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 36 to the financial statements which states that management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and accordingly made a provision of Rs. 2,764,750 towards loan assets.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon. The Director's report has not been made available to us.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

Responsibilities of Management and Those Charged With Governance for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The Company is a Private Company as defined under section 2(68) of the Act and covered under the criteria specified in the Notification G.S.R..583(E) dated June 13, 2017 as amended from time to time by Ministry of Corporate Affairs and complies with conditions specified therein. Accordingly, reporting under section 143(3)(i) of the Act with respect to the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls is not applicable to the Company.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position - Refer Note 26 to the financial statements;
ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note 31 to the financial statements;
iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company- Refer Note 32 to the financial statements.

3. In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Nipun Gupta

MSKA & ASSOCIATES Gurugram Chartered Accountants

Nipun Gupta
Partner
Membership No.: 502896
UDIN: 21502896AAAADO7915

Place: Gurugram
Date: October 12, 2021

MSKA
& Associates
Chartered Accountants

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial control with reference to financial statements.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Nipun Gupta

MSKA & Associates Chartered Accountants Gurugram

Nipun Gupta
Partner
Membership No.: 502896
UDIN: 21502896AAAADO7915

Place: Gurugram
Date: October 12, 2021

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2021

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).

(b) Fixed assets (Property, Plant and Equipment) have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, making investments, providing guarantees and security made, as applicable. The Company being a non-banking financial company, nothing contained in Section 186, except sub-section (1), shall apply.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of tax deducted at source.

(b) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.

ix. In our opinion, according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us, since the Company is a Private Company, the provisions of section 197 of the Act will not be applicable. Accordingly, the provisions stated in paragraph 3(xi) of the Order are not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. In our opinion, the Company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Nipun Gupta

MSKA & ASSOCIATES Gurugram Chartered Accountants

Nipun Gupta
Partner
Membership No.: 502896
UDIN: 21502896AAAADO7915

Place: Gurugram
Date: October 12, 2021

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Balance Sheet as at March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital			
Reserve and surplus	3	100,000,000	100,000,000
	3	2,440,098	1,919,827
Non-current liabilities		102,440,098	101,919,827
Long term borrowings			
Other long term liabilities	4	175,000,000	20,000,000
Long term provisions	5	196,013	5,940,619
Deferred tax liabilities (net)	6	295,610	43,566
	24	-	4,098
Current liabilities		176,491,623	25,988,283
Short term borrowings			
Trade payables	7	4,993,283	8,949,304
- Micro, small & medium enterprises	8		
- Other than micro, small & medium enterprises		16,575	282,184
Other current liabilities		617,027	-
Short term provisions	9	7,784,088	1,948,616
	10	3,160,327	40,405
		16,571,300	11,220,729
		295,503,021	139,128,839
ASSETS			
Non-current assets			
Property, plant and equipment			
- Tangible assets			
- Capital Work-in-Progress	11	4,500,092	3,159,372
Non current investments		721,655	-
Deferred Tax Asset (net)	12	2,700,006	-
Long term loans and advances		37,792	-
Other non-current assets	13	104,596,704	17,629,213
	14	10,477,313	11,704,312
Current assets		122,035,656	30,489,917
Current investments			
Cash and cash equivalents	15	-	54,991,486
Other Bank Balances	16	3,241,292	1,967,646
Short term loans and advances	17	12,300,000	
Other current assets	18	154,968,389	51,571,708
	19	2,957,684	107,982
		173,467,365	108,638,922
		295,503,021	139,128,839

Summary of Significant Accounting Policies 1
The accompanying notes form an integral part of these financial statements.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: October 12, 2021

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
CIN: U65921DL1984PTC018746

For Exclusive Leasing and Finance
Director/Auth. Signatory

Monica Mittal
Director
DIN: 07905476

Place: Jalandhar
Date: October 12, 2021

For Exclusive Leasing and Finance Private Limited
Director/Auth. Signatory

Kumar Uttam
Director
DIN: 07111470

Place: Jalandhar
Date: October 12, 2021

M.No. A63990

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Statement of Profit and Loss for the year ended March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	20	31,577,228	5,026,990
Other income	21	-	39,762
Total revenue		31,577,228	5,066,752
Expenses			
Employee benefits expense	22	3,614,972	1,286,172
Depreciation and amortisation expense	11	219,216	44,506
Finance cost	23	10,706,370	1,119,795
Other expenses	24	14,800,396	2,579,452
Total Expenses		29,340,954	5,026,875
Profit/Loss before tax		2,236,274	39,877
Tax expenses			
- Current tax		1,761,914	32,039
- Deferred Tax	25	(11,890)	4,098
- Adjustment relating to earlier years		(4,031)	65,927
Profit/Loss after tax		520,271	(52,187)
Earnings per equity share (nominal value per share INR 10 (Previous year INR 10))			
Basic	27	0.05	(0.01)
Diluted	27	0.05	(0.01)
Weighted number of equity shares		10,000,000	5,424,658

Summary of Significant Accounting Policies
The accompanying notes form an integral part of these financial statements

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: October 12, 2021

MSKA & ASSOCIATES Gurugram Chartered Accountants

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
CIN: U65921DL1984PTC018746

For Exclusive Leasing and Finance Private Limited
Director/Auth. Signatory

Monica Mittal
Director
DIN: 07905476

Place: Jalandhar
Date: October 12, 2021

For Exclusive Leasing and Finance Private Limited
Director/Auth. Signatory

Kumar Uttam
Director
DIN: 07111470

Place: Jalandhar
Date: October 12, 2021

M.No.- A63990.

Exclusive Leasing and Finance Private Limited
Cash flow statement for the year ended March 31, 20[illegible]
(All amounts are in Indian rupees, unless otherwise stated)

	Particulars	Year ended March 31, 202[illegible]	Year ended March 31, 2023
A	Cash Flow from Operating Activities:		
	Net profit/(loss) before tax	[illegible]	[illegible]
	Adjustments for:		
	Depreciation	[illegible]	[illegible]
	Amortisation of capital expenses	1,234,000	306,000
	Dividend income	-	(32,[illegible])
	Profit on sale of investments	-	[illegible]
	Profit on redemption of mutual fund units	[illegible]	[illegible]
	Interest income	[illegible]	[illegible]
	Interest expenses	[illegible]	[illegible]
	Provision against standard assets	[illegible]	[illegible]
	Bad Debts written off	[illegible]	[illegible]
	Operating loss before working capital changes	[illegible]	-
	Adjustments for:	[illegible]	[illegible]
	Increase in loans and advances	[illegible]	[illegible]
	(Increase)/Decrease in Other Assets	[illegible]	(30,[illegible])
	Increase in Other Liabilities	[illegible]	7,[illegible]
	Cash used in Operations before Adjustments for Interest Received, Interest Paid and Dividend Received	(194,767,[illegible])	(41,[illegible])
	Interest Paid	[illegible]	[illegible]
	Interest Received	[illegible]	[illegible]
	Cash (used in) in Operations	(184,956,[illegible])	(45,[illegible])
	Taxes Paid		[illegible]
	Net Cash (used in) Generated Operating Activities (A)	(184,956,[illegible])	(45,[illegible])
B	Cash Flow from Investing Activities:		
	Purchase of Property, Plant and Equipment	[illegible]	(1,[illegible])
	Capital Work in Progress	[illegible]	-
	Purchase of mutual fund units	-	[illegible]
	Purchase of Equity Shares	[illegible]	-
	Proceeds from Redemption of Mutual Fund Units	[illegible]	130,[illegible]
	Proceeds from sale of investments	-	[illegible]
	Fixed Deposits (Placed)/Matured	[illegible]	[illegible]
	Net Cash (used in) from Investing Activities (B)	[illegible]	(63,[illegible])
C	Cash Flow from Financing Activities:		
	Proceeds from issue of Equity Share Capital	-	[illegible]
	Proceeds from Short Term Borrowings	-	[illegible]
	Repayment of Short Term Borrowings	[illegible]	-
	Proceeds from issue of Debentures	[illegible]	-
	Proceeds from Long Term Borrowings	-	[illegible]
	Repayment of Long Term Borrowings	[illegible]	-
	Net Cash from Financing Activities (C)	[illegible]	[illegible]
	Net Increase in Cash and Cash Equivalents (A+B+C)	[illegible]	[illegible]
	Cash and Cash Equivalents at the beginning of the year	[illegible]	[illegible]
	Cash and Cash Equivalents at the end of the year	[illegible]	[illegible]
	Cash and Cash Equivalents		
	Cash in Hand	[illegible]	[illegible]
	With Bank in Current Account	[illegible]	[illegible]
	Cash and Cash Equivalents (Note [illegible])	[illegible]	[illegible]

Notes:
1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard 3 "Cash Flow Statement" specified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014.

2. Figures in bracket indicate cash outflow.

The accompanying notes form an integral part of these financial statements.

As per our report of even date
For [illegible] & Associates
Chartered Accountants
Firm Registration Number: [illegible]

[illegible] Gupta
Partner
Membership Number: [illegible]

Place: Gurugram
Date: October [illegible]

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
CIN: [illegible]

For Exclusive Leasing and Finance Private Limited
Director/Auth. Signatory

Director
DIN: [illegible]

Place: Jalandhar
Date: October [illegible]

For Exclusive Leasing and Finance Private Limited
Director/Auth. Signatory

Kumar [illegible]
Director
DIN: [illegible]

Place: Jalandhar
Date: October [illegible]

M - 462990

1. Corporate Information

Exclusive Leasing and Finance Private Limited (the "Company") is a Non-Systematically Important Non-Deposit Accepting Non-Banking Financial Corporation ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI") dated September 15, 1998.Consequent upon the approval of the conversion of the Company from public limited into privatelimited company by the Registrar of Companies (RoC), the Company had surrendered the Certificateof Registration (CoR) to the Reserve Bank of India (RBI). Subsequently, RBI has issued the freshCoR to the Company in the new name on September 28, 2021.The Company is engaged in providing loans against securities, other financial activities.

The Company's registered office is situated at Flat No 315, 3rd Floor, Arunachal Building, 19, Barakhamba Road, New Delhi-110001.

The financial statements for the year ended March 31, 2021 were authorised and approved for issue by the Board of Directors on October 12, 2021.

1.1. Significant accounting policies

a. Basis of preparation

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). Indian GAAP comprises mandatory accounting standards as specified under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other accounting pronouncements of The Institute of Chartered Accountants of India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities.

The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India (RBI) for Non-Banking Finance Companies.

The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.

b. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in India requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of the current events and actions, uncertainty about these assumption and estimates could result in outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods. Actual results if they differ from those estimates are recognized in the year in which the results are known or materialized.

DELHI
EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED

c. Revenue Recognition

Income from Finance/Services

The company follows the accrual method of accounting for its income and expenditure except delayed payment charges, which are accounted as and when received on account of uncertainty of ultimate collection. Income from business assets classified as non-performing assets is recognized on receipt basis as per the guidelines issued by the Reserve Bank of India for Non- Banking Finance Company.

The company has complied with guidelines issued by the Reserve Bank of India in respect of prudential norms on Income recognition, Accounting Standards, Asset Classification, Provisioning of Non-Performing Assets etc.
Income from Finance transactions entered into is accounted for by applying the interest rate implicit in such contracts. Processing charges and documentation charges are accounted for at the commencement of the contract.

Income with respect to Non-Performing Assets is accounted for as & when realization which is as per direction/Guidance issued by RBI for Non-Banking Financial Company.

Revenues from contracts priced on a time and material basis are recognised when services are rendered andrelatedcosts areincurred.

Revenue in respect of Government Receipts, Insurance claim, Incentives to the extent uncertain and unknown are accounted for on receipt basis and expenditure in respect of additional taxes and government dues are accounted for on payment basis.

d. Other Income

Interest income is accounted on accrual basis.

Profit/Loss on Sale of Shares/Investments is accounted for on Sale of such shares/investments only.

Dividend income is accounted for when the right to receive is established.

e. Classification of assets and provisioning

All credit exposures are classified into performing and non-performing assets (NPAs) as per guidelines laid down by the Reserve Bank of India (RBI). Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI.

Provision for Non-Performing Assets is made as per the provisioning norms approved by the board for each type of lending activity subject to the minimum provisioning requirements specified by Reserve Bank of India.

f. Property, plant and equipment

MSIA & ASSOCIATES Gurugram Chartered Accountants

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED ★ DELHI

Property, plant and equipment are stated at the cost less depreciation, including expenses incurred in bringing the same to its present location and working condition.

The Company uses straight line method and depreciation is provided on pro-rata basis on the carrying amount of property, plant and equipment. The carrying amount is calculated after reducing 5% of the value of property, plant and equipment as residual value. Depreciation is charged based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Impairment of assets: At each balance sheet date the company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds the recoverable amount, impairment loss is recognised in the statement of profit and loss to the extent the carrying amount exceeds the recoverable amount.

g. Investments

Trade Investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on Management's intention. Current investments are carried at the lower of cost and fair value of each investment individually. Long Term Investments are carried at cost less provisions recorded to recognise any decline, other than temporary, in carrying value of each investment.

h. Impairment of Assets

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of such assets and from their ultimate disposal. A provision for impairment loss is recognized where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sale of the asset.

i. Employee benefits

Defined contribution plan

TheCompany makes defined contribution to ESI scheme which are recognized in the Statement of Profit and Loss on accrual basis.

The Company has no further obligations under these plans beyond its monthly contributions.

Defined Benefit Plan- Gratuity

The Company provides for retirement benefits in the form of Gratuity. Benefits are payable to eligible employees of the company with respect to gratuity. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service.

j. Taxes on Income

Tax expense comprises current tax and deferred income tax.

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED
DELHI

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current income tax relating to items recognised directly in equity and is recognised in equity and not in the statement of profit & loss.

Deferred Tax Assets (DTA) are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward unabsorbed depreciation and losses, DTA are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which DTA can be realised. These are reviewed for the appropriateness of their respective carrying values at each Balance sheet date.

k. Provisions and Contingent Liabilities

The Company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provision is determined based on best estimate required to settle the obligation at the reporting date.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or in respect of present obligations that arise from past events but are not recognized as they probably will not require an outflow of resources or a reliable estimate of their amount cannot be made.

The Company does not recognize assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the financial statements of the period in which the change occurs.

l. Cash & Cash Equivalents

Cash and cash equivalents comprise cash and deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

m. Leases (as a lessee)

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Since significant portion of risks and rewards are retained by lessor in respect of assets acquired on lease, they are classified as operating lease and the lease rentals are charged off to revenue account.

n. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED
DELHI

o. Borrowing cost

Borrowing costs, which are directly attributable to the acquisition / construction of fixed assets, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED
DELHI

(All amounts are in Indian rupees, unless otherwise stated)

2 Share capital	As at March 31, 2021	As at March 31, 2020
Authorised		
20,000,000 equity shares of Rs.10 each (Previous Year 20,000,000 equity shares)	200,000,000	200,000,000
Issued, subscribed and fully paid up		
10,000,000 equity shares of Rs.10 each (Previous Year 10,000,000 equity shares)	100,000,000	100,000,000

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	Year ended March 31, 2021		Year ended March 31, 2020	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	10,000,000	100,000,000	5,000,000	50,000,000
Issued during the year	-	-	5,000,000	50,000,000
Outstanding at the end of the year	10,000,000	100,000,000	10,000,000	100,000,000

b) Detail of shareholders holding more than 5 % shares in the Company

Name of Shareholders	As at		As at	
	Number	% holding	Number	% holding
Ashish Bhandari	2,730,000	27%	2,730,000	27%
V.K Bhandari & Sneh Bhandari (Joint shareholders)	2,100,000	21%	2,100,000	21%
Rohit Anand	2,000,000	20%	2,000,000	20%
Ashish Bhandari & Prerna Bhandari (Joint shareholders)	2,000,000	20%	2,000,000	20%
M/s Kara Appliances Private Limited	600,000	6%	600,000	6%

c) Terms / rights attached to ordinary shares

The Company has only one class of Equity Shares having a par value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

d) The company has not allotted any equity shares as fully paid up by way of bonus shares or other than consideration in cash in the last 5 years.

3 Reserves & surplus	As at March 31, 2021	As at March 31, 2020
a) Statutory reserve		
Balance at the beginning of the year	17,705,581	17,701,981
Add: Transferred from Statement of profit and loss	104,054	3,600
Balance at the end of the year	17,809,635	17,705,581
b) Securities premium account		
Balance at the beginning of the year	1,075,000	1,075,000
Addition during the year	-	-
Balance at the end of the year	1,075,000	1,075,000
c) Deficit in the statement of profit and loss		
Balance at the beginning of the year	(16,860,754)	(16,804,967)
(+) Net Profit/(Net Loss) For the current year	520,271	(52,187)
Less: Transfer to statutory reserve	(104,054)	(3,600)
Balance at the end of the year	(16,444,537)	(16,860,754)
	2,440,098	1,919,827

ASSOCIATES Chartered Accountants

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED DELHI

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

4 Long Term Borrowings	As at March 31, 2021	As at March 31, 2020
Unsecured Loans:		
Inter Corporate Deposits*	11,000,000	20,000,000
Non Convertible Debentures*	165,000,000	-
	176,000,000	20,000,000

* Inter Corporate Deposits:- Terms of repayment, security and interest rate:
March 31, 2021

Name of the Depositor	Deposit Amount (Rs.)	Period of Deposit (in years)	ROI (p.a)	Outstanding Balance as at March 31, 2021	Interest on Deposits Accured till March 31, 2021	Outstanding Balance (Including Interest Net of TDS) as at March 31, 2021
Namco Ispat Pvt. Ltd.	11,000,000	2	11%	11,000,000	938,964	11,867,307

March 31, 2020

Name of the Depositor	Deposit Amount	Period of Deposit (in years)	ROI (p.a)	Outstanding Balance as at March 31, 2020	Interest on Deposits Accured till March 31, 2020	Outstanding Balance (including Interest Accrued Net of TDS) as at March 31, 2020
Samra Leasing Private Limited	7,000,000	2	15%	7,000,000	5,751	7,005,178
Up Money Limited	5,000,000	2	13%	5,000,000	146,027	5,131,424
Up Money Limited	5,000,000	2	13%	5,000,000	146,027	5,131,424
V P. Diagnostics Private Limited	3,000,000	2	11%	3,000,000	32,540	3,029,293
Total	20,000,000			20,000,000	330,355	20,297,319

* Non Convertible Debentures:- Terms of repayment, security and interest rate;
Debentures are secured by way of exclusive charge by way of hypothecation over the loans identified by the company and receivables due to the company with respect to identified loans.
Interest on Debentures is payable Quarterly at the rate mentioned below. Debentures shall be redeemed in full at their maturity.

Redeemable non-convertible debentures (NCD) - Unsecured
Redeemable non convertible debentures of Rs. 10 lacs each, issued on private placement basis

Name of Debenture Holder	Amount of Unsecured Redeemable Non Convertible Debentures (Rs.)	ROI (p.a.)	Maturity period
Aviator Emerging Market Fund	55,000,000	14%	5 Years
Calypso Global Investment Fund	25,000,000	13%	2 Years
Calypso Global Investment Fund	40,000,000	13%	4 Years
Citrus Global Arbitrage Fund	20,000,000	13%	4 Years
Navigator Emerging Market Fund	25,000,000	13%	2 Years
Total	165,000,000		

5 Other Long Term Liabilities	As at March 31, 2021	As at March 31, 2020
Yield equalisation reserve	196,013	-
	196,013	-

6 Long Term Provisions	As at March 31, 2021	As at March 31, 2020
Provision for Loans*:		
For standard assets	295,610	43,566
	295,610	43,566

* This is in line with RBI Provisioning Norms.

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Exclusive Leasing and Finance Private Limited DELHI

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

7 Short Term Borrowings

	As at March 31, 2021	As at March 31, 2020
Unsecured Loans:		
Bank Overdraft*	4,993,283	8,949,304
	4,993,283	8,949,304

*Overdraft Facility of Rs.9,000,000/- at an Interest Rate of 7.25% is secured against Fixed Deposit amounting Rs.10,000,000 placed with IDFC Bank Limited, Model Town, Jalandhar.

8 Trade Payables

	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises	16,575	282,384
Total outstanding dues of creditors other than micro enterprises and small enterprises	617,027	-
	633,602	282,384

Disclosure relating to suppliers registered under Micro, Small and Medium Enterprises Development Act based on the information available with the Company. The required disclosure under the MSMED Act are given below:

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
The principal amount	-	282,384
The interest due thereon	-	-
(b) the amounts paid by the buyer during the year:	-	-
Interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006)	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

9 Other Current Liabilities

	As at March 31, 2021	As at March 31, 2020
Payable to Co-lender	2,886,661	1,431,000
Interest Accrued but not due on Inter-Corporate Deposits	867,802	297,319
Statutory dues payable	902,200	97,025
Rent Equalisation Reserve	6,673	28,901
Income Received in Advance	785,937	94,391
Other Payables	2,334,815	-
	7,784,088	1,948,636

10 Short Term Provisions

	As at March 31, 2021	As at March 31, 2020
Provision for Loans*:		
For Standard Assets	395,577	40,405
Due to COVID-19 Impact	2,764,750	-
	3,160,327	40,405

* This is in line with RBI provisioning norms

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED
DELHI

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

11 Property, Plant and Equipment-Tangible assets

Particulars	Gross Block (at cost)				Depreciation				Net Block (at cost)	
	As at March 31, 2020	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2020	For the Year	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Own assets										
Furniture & Fixtures	362,368	201,977	-	564,345	8,583	40,904	-	49,487	514,858	353,785
Office Equipments	147,524	26,804	-	174,328	4,847	30,050	-	34,897	139,431	142,677
Electrical Installations and Equipments	-	30,520	-	30,520		969	-	969	29,551	-
Computers	165,163	264,886	-	430,049	10,726	83,990	-	94,716	335,333	154,437
Leasehold Improvements	525,823	35,750	-	561,573	17,350	63,303	-	80,653	480,920	508,473
Total	1,200,877	559,937	-	1,760,815	41,506	219,216	-	260,722	1,500,093	1,159,372

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

12 Non Current Investments	As at March 31, 2021	As at March 31, 2020
Investments in Equity Shares		
Unquoted		
Magand Microfin Limited	7,700,000	-
(100,000 Equity shares of Face Value Rs.10 each)		
	7,700,000	-
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	7,700,000	-

13 Long-term Loans and Advances	As at March 31, 2021	As at March 31, 2020
Secured and considered good		
(i) Loans against Hypothecation of Assets	82,643,007	41,485,414
(ii) Loans against Pledge of Shares		
(iii) Loans Against Property	2,464,918	-
Unsecured and considered good		
(i) Loans against Personal Guarantee of Directors	-	-
(ii) Others	16,096,234	-
Security Deposits	392,645	203,000
	101,596,804	41,688,414

14 Other non-current assets	As at March 31, 2021	As at March 31, 2020
Expenses for increasing authorised capital	-	1,224,000
Deposit with original maturity for more than 12 months *	10,477,312	10,477,312
	10,477,312	11,701,312

* Pledged as security against the Bank Overdraft

15 Current Investments	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	Units		Amount	
Investments in mutual funds*	-	1,719,664	-	54,991,486
	-	1,719,664	-	54,991,486

*Details of investments

Particulars	Face Value (In Rs.)	Number of units As at March 31, 2021	Number of units As at March 31, 2020	Amount As at March 31, 2021	Amount As at March 31, 2020
Kotak Mutual Fund- Growth (Regular Plan)	31.9525	1,408,074.03	-	44,991,486	-
Kotak Mutual Fund- Growth (Regular Plan)	32.0935	311,589.57	-	10,000,000	-

16 Cash and bank balances	As at March 31, 2021	As at March 31, 2020
Balances with banks		
-Current Accounts	1,216,175	1,942,349
-Deposits with original maturity of less than three months	2,000,000	-
Cash on hand	25,117	25,117
	3,241,292	1,967,466

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EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED DELHI

(All amounts are in Indian rupees, unless otherwise stated)

17 Other bank balances	As at March 31, 2021	As at March 31, 2020
Deposits with original maturity for more than 3 months but less than 12 months	12,300,000	-
	12,300,000	-

18 Short term loans and advances	As at March 31, 2021	As at March 31, 2020
Secured and considered good		
(i) Loans against Hypothecation of assets	120,310,108	16,162,302
(ii) Loans against Pledge of shares	-	-
(iii) Loan against Property	37,140,613	-
Unsecured and considered good		
(i) Loans against Personal Guarantee of Directors	-	-
(ii) Others	1,766,602	-
Balance with Revenue Authorities	301,546	65,305
Advance Tax (net of provision Rs. 16,84,701 (March 31, 2020: 22,039))	19,900	187,112
Other Advances*	-	35,157,069
	154,968,389	51,571,788

* Advance given to Northern India Consultants Private Limited for purchase of 350,000 shares of Midland Metal n Ltd @ Rs. 103.42 per share.

19 Other Current Assets	As at March 31, 2021	As at March 31, 2020
Other Receivable	16,660	-
Prepaid Expenses	8,457	10,261
Other advances	44,370	1,722
Imprest to employees	37,480	-
Interest Accrued on Fixed Deposits	1,130,952	-
Interest Accrued but not due on Loans	1,717,895	-
	2,957,684	11,983

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

20 Revenue from operations

	As at March 31, 2021	As at March 31, 2020
Interest income		
Loans and advances	19,992,947	2,900,468
Fixed deposits	2,490,500	530,347
Other operating income		
Loan Processing Charges	8,617,517	268,754
Profit on sale of Mutual Funds	476,264	1,305,323
Dividend income on Mutual Funds	-	22,098
	31,577,228	**5,026,990**

21 Other Income

	As at March 31, 2021	As at March 31, 2020
Profit on Sale of Equity Shares	-	9,673
Interest on Income tax refund	-	29,463
Liability no longer required, written back	-	625
	-	**39,762**

22 Employee benefits expense

	As at March 31, 2021	As at March 31, 2020
Salaries, allowances and incentives	3,561,601	1,244,672
Staff welfare expenses	41,358	41,450
Contribution to ESI	12,013	-
	3,614,972	**1,286,122**

23 Finance Cost

	As at March 31, 2021	As at March 31, 2020
Interest Expense	10,689,498	1,115,304
Bank Interest and Bank Charges	16,872	4,491
	10,706,370	**1,119,795**

24 Other Expenses

	As at March 31, 2021	As at March 31, 2020
Legal and Professional Charges	3,483,620	1,230,800
Arranger Fees	5,036,627	-
Rent Expenses	984,143	294,192
Amortization of Capital Expenses	1,224,000	306,000
Travelling and Conveyance Expenses	408,360	281,318
Provision for Standard Assets	607,216	12,721
Provision due to Covid-19 Impact	2,764,790	-
Fees and Subscription Charges	393,360	58,990
Repair and Maintenance Expenses	59,189	25,324
Electricity Expenses	47,605	10,888
Rates and Taxes	32,119	21,900
Advertisement Expenses	22,960	17,800
Payment to auditors	357,000	150,000
Donation	100	11,250
Communication expenses	99,609	12,748
Office Expenses	9,596	20,619
Printing and Stationery Expenses	27,610	6,101
Miscellaneous Expenses	247,525	43,791
	14,000,397	**2,570,452**

Payment to auditor

	As at March 31, 2021	As at March 31, 2020
Statutory audit	350,000	150,000
Out of Pocket Expenses	7,000	-
	357,000	**150,000**

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EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED DELHI

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

25 Deferred Tax Asset/Liability

Major Deferred tax Assets and Liabilities are as follows:

Particulars	As at March 31, 2021	Charge/ (Benefit) during the year	As at March 31, 2020
Deferred Tax Assets			
MAT	51,042	43,768	7,274
Deferred Tax Liability			
Depreciation on Property, Plant and Equipment	13,250	1,878	11,372
Net Deferred Tax Liability	37,792	41,890	-4,098

26 Contingent liabilities and Commitments (to the extent not provided for)

a) The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities in its financial statements. The amount of contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

b) The Company has sanctioned loans which are still to be disbursed amounting to Rs. 365,650 (Previous year Rs nil)

27 Earning Per Share

Particulars	As at March 31, 2021	As at March 31, 2020
Net profit/ (loss) attributable to equity shareholders for basic and diluted EPS (a)	520,378	(62,987)
Weighted average of number of equity shares outstanding during the year (b)	10,798,000	9,424,658
Nominal value of shares	10	10
Basic and diluted loss per equity share (a/b)	0.05	(0.01)

28 In accordance with the Accounting Standard (AS-18) on "Related Party Disclosures", the disclosures are as follows:

A. Name of Related Parties and Nature of Relationship
Related parties with whom transactions have taken place during the year

A) Name of related parties

(a) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual.

Ashish Bhandari
Sneh Bhandari
Rajiv Anand
Prasad Bhandari

(b) Enterprises over which any of above mentioned individuals is able to exercise significant influence
Agile Finserv Private Limited
Northern India Consultancy Private Limited

Exclusive Leasing and Finance Private Limited (formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

B. Transactions with related parties during the year

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
[illegible] Private Limited		
Loan given	-	-
Repayment of loan during the year	-	3,500,000
Loan taken	-	17,400,000
Repayment of loan during the year	-	17,400,000
Interest expense	-	406,791
Interest income	-	69,161
[illegible] Consultants Private Limited		
Interest income on advance	849,040	174,521
Interest income on loan	-	32,574
Advances given	-	35,000,000
Loan given	-	-
Repayment of advances during the year	35,000,000	
Repayment of loan during the year	-	4,000,000
Purchase of services	33,000	-

C. Balance outstanding at the end of the year

Particulars	As at March 31, 2021	As at March 31, 2020
[illegible] Consultants Private Limited		
Other advances	-	35,000,000
Accrued interest	-	174,521
Trade Payables	16,574	-

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EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED DELHI

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees unless otherwise stated)

29 Segment Information
The Company's main business is to provide loans. There are no business operations located "Outside India". Hence all the activities are considered as a "Single business/ Geographical Segment" for the purpose of Accounting Standard on Segment Reporting (AS-17), issued by the Institute of Chartered Accountants of India.

30 There are no expenditure and earnings in foreign currency.

31 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

32 There were no amounts which were required to be transferred to the Investor and Protection Fund by the Company.

33 The Company has taken long term Leases for Office Premises including Office Furniture for a period between 1 and 5 years. The total expense incurred under the operating lease agreements recognized as an expense in the Statement of Profit and Loss during the year is Rs. 984,143 (Previous Year Rs. 798,192). Expected future minimum commitments for non-cancellable period of leases together with any further periods for which the lessee has the option to continue the lease of the asset, with or without further payment, which option at the inception of the lease it is reasonably certain that the lessee will exercise are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Payable within one year	1,121,897	812,497
Payable between one and five years	4,465,792	3,180,694
Payable later than five years	2,404,073	1,394,486

34 Disclosures required for NBFC as per Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

i Percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets - Nil (Previous Year - Nil)

ii Statement for Disclosure on Statutory Reserves, as prescribed by RBI vide RBI/2006-07/132 DBOD.BP.BC No. 31/21.04.018/ 2006-07 dated September 20, 2006:

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Balance at the beginning of the year	17,765,581	17,761,981
Addition / Appropriation / Withdrawal during the year	104,054	3,600
Balance at the end of the year	17,869,635	17,765,581

iii The Company does not have any joint ventures and subsidiaries abroad as at March 31, 2021 as well as in the previous year.

iv The Company has not entered into any derivative transactions during the year. Refer to note no. 30

v The Company has not entered any Forward Rate/ Interest rate swap agreements during the year.

vi Securitisation/ Assignment during the year:
a. There are no Special Purpose Vehicles (SPVs) sponsored by the Company.
b. The Company has not sold any Financial assets to Securitisation/ Reconstruction Company for Asset Reconstruction during the current year as well as previous year.
c. The Company has not entered into any assignment transactions in which it has derecognised the assets as the buyer, during the current year as well as previous year. However, during the year, the Company has purchased loans by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 80% of the assets transferred to the Company, the assets have been recognised in the Company's Balance Sheet. The table below summarises the carrying amount of the recognised assets:

Particulars	As at March 31, 2021	As at March 31, 2020
Carrying amount of purchased assets measured at amortised cost	56,206,358	-

d. The Company has neither purchased nor sold any non-performing financial assets from/to any other banking finance companies during the current year as well as previous year.

vii Details of non performing financial assets purchased/ sold
The Company has not purchased/ sold any non performing financial assets from other NBFCs in March 31, 2021 as well as in previous year.

MSKA & ASSOCIATES Chartered Accountants

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED DELHI

(All amounts are in Indian rupees, unless otherwise stated)

viii Exposure to real estate sector, both direct and indirect

Category	As at March 31, 2021	As at March 31, 2020
(a) Direct exposure		
(i) Residential mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	6,325,544	-
(ii) Commercial real estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	30,000,000	-
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
A Residential,	-	-
B Commercial Real Estate	-	-
Total Exposure to Real Estate Sector	36,325,544	

ix Exposure to Capital Market

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds, the corpus of which is not exclusively invested in corporate debt;	7,500,000	54,991,486
Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
Bridge loans to companies against expected equity flows / issues;	-	-
All exposures to Venture Capital Funds (both registered and unregistered)	-	-

x Details of financing of parent company products
The Company has not taken any of the parent Company product.

xi Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL)
The Company has not exceeded the prudential exposure limit for single borrower or group borrower during the year.

xii Unsecured advances
The Company has given unsecured advances during the year and as on March 31, 2021, as mentioned in Schedule for Loans & Advances.

xiii Miscellaneous
a. Reserve Bank of India - Registration Number: 14.01142
b. From Ministry of Corporate Affairs - U65921DL1984PTC018774
The Company has not obtained registration from any other financial Sector regulator.

xiv No penalties have been levied by any regulator during the year ended March 31, 2021 as well as in the previous year.

xv Rating assigned by Credit Rating Agencies and migration of rating during the year
Non-Convertible Debentures/Bonds: Nil
Bank Lines (Rated on Long Term/Short term scale): Nil
Commercial Paper Programme: Nil
Tier II Bonds: Nil

xvi Related party transactions
Related party transactions are disclosed in Note no. 28.

xvii Remuneration of Directors
There is no remuneration paid to directors. Refer to Note No. 28.

xviii Management
Management discussion and analysis report shall form part of Board of Directors Report.

xix During the year, no transaction was accounted which was related to prior period (Refer Note 1).

xx During the year, no item of revenue recognition has been postponed except as disclosed in accounting policy for revenue recognition (Refer Note 1).

xxi The Company does not have any parent company or subsidiary, hence provision of AS 21 is not applicable on the Company.

xxii The Company has not reported any frauds during the year and in the previous year, based on management reporting to the RBI through prescribed returns.

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Gurugram
Chartered Accountants

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED
DELHI

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

xliii Asset liability management:
Maturity pattern of certain items of assets and liabilities as on March 31, 2021 and March 31, 2020*

Description	Upto 30/31 days	Over 1 month to 2 Months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Inter-Corporate Deposits	-	-	-	-	-	11,000,000	-	-	11,000,000
(Previous Year)	-	-	-	-	-	(26,237,938)	-	-	(26,237,938)
Non-Convertible debentures	-	-	-	-	-	50,000,000	115,000,000	-	165,000,000
(Previous Year)	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	61,000,000	115,000,000	-	176,000,000
(Previous Year)	-	-	-	-	-	(26,237,938)	-	-	(26,237,938)
Assets									
Advances#	18,216,348	17,677,752	17,272,165	72,822,445	67,947,710	84,808,888	123,603	-	278,868,311
(Previous Year)	(703,152)	(485,904)	(1,234,639)	(4,410,440)	(9,128,167)	(17,426,233)	-	-	(33,388,535)
Total	18,216,348	17,677,752	17,272,165	72,822,445	67,947,710	84,808,888	123,603	-	278,868,311
(Previous Year)	703,152	485,904	1,234,639	4,410,440	9,128,167	17,426,233	-	-	(33,388,535)

Advance amount shown above is gross amount of loans and advances. The ECL amount of INR 23,0[illegible],308 (March 31, 2020: [illegible]) is not netted off from the above amount.
* The Company does not have foreign currency assets.

MSKA & Associates Chartered Accountants Gurugram

Exclusive Leasing and Finance Private Limited Delhi

(All amounts are in Indian rupees, unless otherwise stated)

34 Disclosures required for NBFC as per Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

xix Provisions and Contingencies

Particulars	As at March 31, 2021	As at March 31, 2020
Loss on loans & advances written off	-	-
Provision for Standard assets	-	-
Provision for Covid-19	491,487	83,971
Provisions for depreciation on investments	2,744,790	-
Provision towards NPA	-	-

xx Concentration of Deposits, Advances, Exposures and NPAs

a. Concentration of public deposits - The Company is a non deposit NBFC. Hence, there are no public deposits.

b. Concentration of NPAs

Particulars	As at March 31, 2021	As at March 31, 2020
Total exposure to top ten NPA accounts	-	-

c. Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2021	As at March 31, 2020
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	-	-
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

d. Movement of NPAs

Particulars	As at March 31, 2021	As at March 31, 2020
(I) Net NPAs to Net Advances (%)	-	-
(II) Movement of NPAs (Gross)		
a) Opening balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
(III) Movement of NPAs (Net)		
a) Opening balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-

xxi Overseas Assets
The Company does not have overseas assets during March 31, 2021 and March 31, 2020.

xxii The Company do not have any Off-balance Sheet SPVs sponsored(which are required to be consolidated as per accounting Norms) as at March 31, 2021 and March 31, 2020.

xxiii Disclosure of customer complaints

Particulars	As at March 31, 2021	As at March 31, 2020
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	-	-
c) No. of complaints redressed during the year	-	-
d) No. of complaints pending at the end of the year	-	-

xxiv Disclosure of restructured accounts
The Company does not have any restructured accounts under CDR mechanism or others as at March 31, 2021 and March 31, 2020

MSKA & ASSOCIATES Gurugram Chartered Accountants

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED ★ DELHI

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

34 Disclosures required for NBFC as per Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

xxx Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company

		Particulars		
	Liabilities side:			
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		Amount outstanding	Amount overdue
	(a)	Debentures : Secured (including infrabond)	-	-
		: Unsecured	145,000,000	-
		(other than falling within the meaning of public deposits)		
	(b)	Deferred Credits	-	-
	(c)	Term Loans	-	-
	(d)	Inter-corporate loans and borrowing	11,000,000	-
	(e)	Commercial Paper	-	-
	(f)	Public Deposits	-	-
	(g)	Other Loans		
		(i) Financial Institutions	-	-
		(ii) Lease liability	-	-
(2)	Break-up of (1)(f) above (Outstanding Public Deposit inclusive of interest accrued thereon but not paid):			
	(a)	In the form of unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c)	Other Public Deposits	-	-

	Assets side:	Amount outstanding
(3)	Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]:	
	(a) Secured (net of provision of Rs. 700864)	460,296,302
	(b) Unsecured	17,842,836
(4)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors:	
	(a) Financial lease	-
	(b) Operating lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	-
	(b) Repossessed Assets	-
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-
(5)	Break-up of Investments:	
	Current Investments:	
	1. Quoted:	
	(i) Shares: (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. Unquoted:	
	(i) Shares: (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-

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EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED DELHI

(All amounts are in Indian rupees, unless otherwise stated)

	Assets side:	Amount outstanding
	Long Term investments:	
	1. Quoted:	
	(i) Shares: (a) Equity	
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. Unquoted:	
	(i) Shares: (a) Equity (net of provisions)	7,700,000
	(b) Preference	-
	(ii) Debentures and Bonds (net of provisions)	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (Security Receipts) (net of accumulated decrease in fair value)	-
	Total	7,700,000

(6)	Borrower group-wise classification of assets financed as in (3) and (4) above:			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group (Refer Note 39)		-	-
	(c) Other related parties		-	-
	2. Other than related parties	260,296,302	17,862,836	278,159,138
	Total	260,296,302	17,862,836	278,159,138

(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
	Category	Market Value / Break up or fair value or NAV	Book value (net of provisions)
	1. Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2. Other than related parties	-	7,700,000
	Total	-	7,700,000

(8)	Other information	
	Particulars	Amount
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	-
	(ii) Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	-
	(iii) Assets acquired in satisfaction of debt	-

MSKA & ASSOCIATES
Gurugram
Chartered Accountants

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED
DELHI

Exclusive Leasing and Finance Private Limited (formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees, unless otherwise stated)

35 Disclosures required for NBFC as per RBI circular [illegible] dated November 10, 2016

i. Disclosures on flexible structuring of existing loans

Period	No. of borrowers taken up for flexible structuring	Amount of loans taken up for flexible		Exposure weighted average duration of	
		Classified as Standard	Classified as NPA	Before applying flexible structuring	After applying flexible structuring
FY 2018-19	-	-	-	-	-
FY 2019-20	-	-	-	-	-
FY 2020-21	-	-	-	-	-

ii. Disclosures on Strategic Debt Restructuring of existing loans

No. of accounts where SDR has been invoked	Amount outstanding as on reporting date		Amount outstanding as on report date		Amount outstanding as on report date	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY 2018-19	-	-	-	-	-	-
FY 2019-20	-	-	-	-	-	-
FY 2020-21	-	-	-	-	-	-

iii. Disclosures on Change in ownership outside Strategic Debt Restructuring Scheme (accounts which are currently under stand-still period)

No. of accounts where banks have decided to effect change in ownership	Amount outstanding as on the reporting		Amount outstanding as on reporting		Amount outstanding as on reporting date		Amount outstanding as on reporting date	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY 2018-19	-	-	-	-	-	-	-	-
FY 2019-20	-	-	-	-	-	-	-	-
FY 2020-21	-	-	-	-	-	-	-	-

Chartered Accountants

EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED
DELHI

(All amounts are in Indian rupees, unless otherwise stated)

36 The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day 1.0 lockdown across the country to contain the spread of the virus, which was further extended till May 3, 2020, May 17, 2020 and May 31, 2020. This pandemic and response thereon are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

Pursuant to Reserve Bank of India (RBI) Circulars dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 Regulatory Package', Company granted moratorium of three months on payments of all instalments falling due between March 1, 2020 and May 31, 2020 to all willing borrowers. For all such accounts where the moratorium is granted, the days past due status as at March 31, 2020 is based on the days past due status as on February 29, 2020. The Company continues to recognize interest income during the moratorium period.

In wake of continued disruption and extension of lockdown, RBI vide its circular dated May 23, 2020, permitted to extend the moratorium period by another three months, from June 1, 2020 to August 31, 2020 on payment of all instalments. The Company has passed on the benefit to its borrowers to ease out the financial burden. But due to partial lifting of the lockdown from around third week of May, 2020 onwards, many of the Company's borrowers have resumed their income activities and are opting out of the moratorium scheme.

The Company is hopeful that economic activities will gradually crawl back to normalcy.

Also, the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and accordingly made a provision of Rs. 2,764,750 towards loan assets.

37 Asset classification and provisioning disclosure
Disclosure as per the circular no. DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 issued by Reserve Bank of India on "COVID 19 regulatory package - Asset Classification and provisioning"

For the year ended March 31, 2021

Particulars	Amount
a) Amounts in SMA/overdue categories where moratorium/deferment was extended	-
b) Respective amount where asset classification benefit is extended	-
c) Provisions made during quarter in terms of paragraph 5 of the above circular	-
d) Provisions adjusted against the respective accounting periods for slippages and residual provisions in terms of paragraph 6 of the above circular	-

38 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules there under are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

39 Previous year's figures have been regrouped/ reclassified, where necessary to conform to current year classification.

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: October 12, 2021

MSKA & ASSOCIATES Gurugram Chartered Accountants

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

Mon[illegible]
Director
DIN: 07905476

Place: Jalandhar
Date: October 12, 2021

For Exclusive Leasing and Finance Private Limited

Kumar Uttam
Director
DIN: 07111470

Director/Auth. Signatory

Place: Jalandhar
Date: October 12, 2021

CS. Karan Jairath
M.No. - A 63990

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

EZ CAPITAL

Annual Report

of

Exclusive Leasing and Finance Private Limited

(Formerly Known as Exclusive Leasing and Finance Limited)

For the Financial year

2021-22

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

Corporate Information

Board of Directors	Mr. Vijay Kumar Bhandari Mr. Ayodhya Prasad Anand Ms. Monica Mittal Mr. Kumar Uttam Mr. Rajev Adlakha Ms. Rajesh Katoch
Company Secretary	Mr. Karan Jairath
Statutory Auditors	M/s GSA & Associates LLP
Registered Office	105-A, Indra Prakash Building, New Delhi-110001, Delhi, India
Corporate Office	11, Ground Floor, City Square Building, EH 197 Civil Lines, GT Road, Jalandhar-144001, Punjab, India
CIN	U65921DL1984PTC018746
Registrar & Share Transfer Agent	M/s Skyline Financial Services Private Limited
Bankers	IDFC Bank ICICI Bank Yes Bank
Debenture Trustee	M/s Catalyst Trusteeship Limited

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

A business has to be involving,

it has to be fun, and

it has to exercise your creative thoughts.

-Richard Branson

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

Background:

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited) (hereinafter referred to as "ELFPL") is a Non-Systemically Important Non-Deposit Taking Non-Banking Financial Company, holding a Certificate of Registration dated September 15, 1999, from the Reserve Bank of India ("RBI").

Business Update:

The Company has focused on managing risk with a standardized approach to growth while maintaining strong liquidity, preserving capital, augmenting debt management capacity, implementation of a business transformation exercise including but not restricted to looking at 'new ways of doing business' and ensuring safety of its employees. Employee's protection was the utmost important concern of the Company and still remains the same.

Our Products:

Loan Against Property (LAP): *The Company empowers the under banked Sections of the Society by giving them loan against property. Our LAP business is helping customers in realising their business dreams. Every customer relationship is being treated as an ongoing partnership and ELFPL takes pride in making their growth journey successful. ELFPL's LAP commits to provide hassle free experience to its customers.*

Co-Lending/ Business Correspondence: *We are providing MSME, Gold and vehicle loans in partnership with other traditional lenders.*

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

DIRECTORS' REPORT

To
The Esteemed Members

Your Directors are pleased to present the 37th Annual Report and the Company's audited accounts for the financial year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

You being our valued partners in the Company, we share our vision of growth with you and our guiding principles are a blend of optimism which has been and will be the guiding force of all our future endeavors.

The management's major vision is to brand your Company at PAN India level in order to come over with every needs of the financial sector whether may be for commercial wise or personal loans or for investment segment.

The Company has formulated new loan products and entered into strategic alliance with other NBFCs for Co-lending arrangement. The Company is hiring new team members and expanding the business operations of the Company geographically.

The Company's financial performance for the year ended March 31, 2022 and previous year is as under:

(Figures rounded off in lakh Rs.)

S.No.	Particulars	Current Year ended March 31, 2022	Previous year ended March 31, 2021
1.	Revenue from Operations	466.28	315.77
2.	Other Income	22.34	0
3.	Expenditure (excluding depreciation)	406.52	291.22
4.	Depreciation	6.42	2.19
5.	Loans & Advances	3102.91	2558.52
6.	Profit/Loss before taxes	75.68	22.36
7.	Taxes/Adjustment	25.42	17.16
8.	Net profit/loss after tax	50.26	5.20
9.	Paid up Capital	1000.00	1000.00
10.	Reserve & surplus	74.66	24.40
11.	Net Owned Funds	1074.66	1024.40
12.	Earnings Per Share	0.50	0.05

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13.	Capital Adequacy Ratio (CRAR)	28.52%	36.83%

Your Company has managed to increase the business operations of the Company manifold. The Overall performance of the Company during the financial year has been good in simulation to the recovering economy of the country. Your Company has successfully accomplished its growth aspects widening its business operations and has effectively opened new business units in New Delhi, Faridabad and Ghaziabad

TOTAL GROSS INCOME

The total gross income of the Company for the financial year 2021-22 stood at Rs. 466.28 Lakhs against Rs. 315.77 Lakhs for the previous financial year 2020-21. With the new strategy and ideas of the new management, the Board is successfully operating its new units and has increased the returns in this current year.

NET PROFITS

Your Company has tremendously performed well during the financial year 2021-22. The Management of your Company has enhanced the profits of the company resulting into profits of Rs. 50.26 Lakhs in this Financial Year 2021-22 as compared to the profits of Rs. 7.20 Lakhs in the financial year 2020-21, signifying the enormous increase in the net revenue earned during the year.

NET OWNED FUNDS

Net Owned Funds of the Company as on March 31, 2022 increased to Rs. 1074.66 lakhs as compared to Rs. 1024.40 lakhs as on March 31, 2021 due to Profits earned by the Company. The net profits of the company have become six-fold to that of previous financial year.

CAPITAL ADEQUACY RATIO (CRAR)

The capital adequacy ratio was 28.52% as on March 31, 2022, comprising Tier I capital ratio of 27.06% against the ratio of 15.00% as prescribed by the RBI.

OPERATIONS - PROSPECTS AND FUTURE PLAN

The Company wishes to expand both vertically as well as horizontally. Your management has taken this decision keeping in mind various factors. The vertical and horizontal expansion would ensure that both the products as well as the geographical area of the Company are enhanced which will reduce the weighted average risk of the portfolio. The Company has identified new areas to increase the geographical expansion. Inconsiderate to the expansion plans of the company, the management has decided to increase its operations by increasing its outreach to new geographies, diversification in new products, increase in financing of existing products, and entering into strategic alliances with other NBFCs for increasing the efficiency and leverage the vintage of the company.

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

For Exclusive Leasing and Finance Private Limited

Director/Auth. Signatory

For Exclusive Leasing and Finance Private Limited

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FUND MOBILIZATION

During the Financial Year 2021-22, your Company raised a sum of Rs. 6,00,00,000/- (Rupees Six Crores only) by way of Secured Redeemable Non-Convertible Debentures through Private Placement.

LOANS & ADVANCES

The Total Loans and advances of the Company increased to Rs. 3102.91 Lakhs as on March 31, 2022 against Rs. 2558.52 Lakhs in the previous year ended on March 31, 2021. This clearly signifies the increase in the loan disbursement made during the financial year 2021-22.

BORROWINGS

The outstanding borrowings of the Company as on March 31, 2022 stood at Rs. 2340.84 Lakhs as compared to Rs. 1809.93 Lakhs as on March 31, 2021. The said Borrowings include inter-corporate Loans and Bank Overdraft and non-convertible debt.

RECOVERY & STRESSED ASSETS MANAGEMENT

Your Company has a very strong and effective recovery system and as on March 31, 2022, the Company does not have any NPA.

CHANGE IN THE NATURE OF BUSINESS

During the financial year 2021-22, no change in nature of the business has taken place.

RESERVE BANK OF INDIA - REGULATORY UPDATE

Your Company has been following all the relevant guidelines and directions issued by the Reserve Bank of India from time to time. The Company has been classified as a registered Category-B, NBFC (Non-Banking Financial Company). The Company has been submitting regularly all necessary returns to RBI and ensuring compliance of all the regulatory norms.

DEPOSITS

The Company being a Category-B Non-Deposit taking NBFC registered with Reserve Bank of India has not accepted any public deposits during the financial year 2021-22.

FAIR PRACTICES CODE

Your Company has duly complied with the provisions of RBI relating to the maintenance and review of the Fair Practice Code. ELFPL has adopted Fair Practices Code, which provides operating guidelines for effective dissemination and implementation of responsible business practices and grievance redressal system. The Company is implementing the best policies

For Exclusive Leasing and Finance Private Limited
Director/Auth. Signatory

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prevalent in the industry for transparency and efficient recovery. Further, the Company is also complying with the KYC Procedures as a tool to Risk Management.

The Fair Practices Code of the Company is reviewed at every year at regular intervals by the management of the Company.

DISCLOSURES PURSUANT TO COMPANIES ACT, 2013 & CORRESPONDING RULES UNDER THE ACT:

WEB ADDRESS, IF ANY, WHERE ANNUAL RETURN REFFERED TO IN SUB- SECTION (3) OF SECTION 92 HAS BEEN PLACED

The Company shall place its annual return on its website. The same can be viewed at www.ezcapital.in.

CHANGE IN THE COMPOSITION OF THE BOARD OF DIRECTORS DURING THE YEAR

During the financial year 2021-2022. During the year, Mr. Kumar Shalya Gupta resigned from the office of the Director on December 20, 2021. Furthermore, Mr. Rajev Adlakha was appointed as an Additional Director of the Company on December 25, 2021 and Mr. Rajesh Katoch was appointed as an Additional Director on March 28, 2022. Besides this, no other change took place in the composition of the Board of Directors of the Company.

The composition of Board of Directors as on March 31, 2022 is as follows:

S. No.	DIN	Name	Designation
1	07111470	Kumar Uttam	Director
2	00052716	Vijay Kumar Bhandari	Director
3	06808974	Ayodhya Prasad Anand	Director
4	07905476	Monica Mittal	Director
5	09409294	Rajev adlakha	Additional Director
6	09528988	Rajesh Katoch	Additional Director
7	02868064	*Nikita Arora	Director

Note: Ms. Nikita Arora resigned from her chair of directorship on April 02, 2022.

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NUMBER OF BOARD MEETINGS WITH DATES AND NUMBER OF MEETINGS ATTENDED BY EACH DIRECTOR UNDER SECTION 134(3) (B) & SECRETARIAL STANDARD ON BOARD MEETINGS:

Particulars	Board Meetings	
No. of Meetings	06	
Dates of Board Meetings	• 29.06.2021 • 12.10.2021 • 20.11.2021	• 25.12.2021 • 25.01.2022 • 28.03.2022

NO. OF MEETINGS ATTENDED BY DIRECTORS

Name	Board Meeting entitled to attend	Board Meeting Attended	Attendance in AGM
Kumar Uttam	6	3	YES
Vijay Kumar Bhandari	6	6	YES
Ayodhya Prasad Anand	6	6	YES
Monica Mittal	6	6	YES
Kumar Shalya Gupta	3	3	YES
Nikita Arora	6	6	YES
Rajesh Katoch	1	1	NO
Rajev Adlakha	2	2	NO

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 134(3)(C); SEC 134 (5)(A) TO (F) AND SEC 134(5)(E)

In accordance with the applicable provisions of the Companies Act, 2013, your Directors state that: -

(i) In the preparation of the annual accounts, the applicable accounting standards and guidance provided by the Institute of Chartered Accountants of India had been followed and that there are no material departures;

(ii) The directors have 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;

(iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for

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safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

(iv) The directors have prepared the annual accounts on a going concern basis; and

(v) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, ATTRIBUTES, INDEPENDENCE ETC UNDER SECTION 178(1) & (3)

The Company has put in place 'Fit & Proper' criteria policy for considering the appointment and remuneration of Directors and Key Managerial Personnel as per the guidelines issued by RBI. The policy contains detailed procedures for determining qualification, positive attributes, due diligence mechanism and reference checks for appointment of Directors and Key Managerial Personnel.

APPOINTMENT OF INDEPENDENT DIRECTOR UNDER SECTION 149(4)

The Company was not required to appoint any Independent Director during the financial year ended on March 31, 2022, as the provisions of Section 149 (4) of Companies Act, 2013 are not applicable on it.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS U/S 149(6)

As the Company was not required to be appointed any Independent Director, therefore this disclosure is not required to be given.

DISQUALIFICATION OF DIRECTORS

On the basis of the written consent received from all the directors appointed in the Company, none of the director is disqualified under the provisions as mentioned in Section 164(2) of the Companies Act, 2013. The Company has duly received DIR-8 from all the directors in the first board meeting held during the year.

AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, M/s GSA & Associates LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company for a term of 3 years in the Annual general Meeting held during the financial year 2021-22 until the conclusion of the Annual General Meeting to be held in the year 2024.

Pursuant to the para 3.3 of the guidelines issued vide RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27 April, 2021 by the Reserve Bank of India, the Company is required to inform RBI about the appointment of Statutory Auditors for

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each year by way of a certificate in Form A within one month of such appointment. Thus, pursuant to the fulfilment of eligibility norms, the shareholders shall consider the matter in respect to the ratification of appointment of M/s GSA & Associates LLP, as Statutory Auditors for the Financial Year 2022-2023.

STATEMENT IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

No fraud was identified in all aspects by the Auditor or through the Company's internal control mechanism which would have a material impact on the financial statements.

COMMENTS BY THE BOARD ON QUALIFICATION, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY AUDITORS IN AUDIT REPORT

There is no qualification, reservations or adverse remarks given by the Auditors which need comments by the Board. The notes to accounts referred to in Auditors' Report has been discussed by the Board and are self-explanatory and therefore, in the opinion of the Directors, do not call for any further comments.

LOANS, GUARANTEES & INVESTMENTS UNDER SECTION 186

Pursuant to Section 186(11) of the Companies Act, 2013, loans made, guarantees given or securities provided or acquisition of securities by a Non-Banking Financial Company in the ordinary course of its business are exempted from disclosure requirements under Section 134(3) (g) of the Companies Act, 2013.

SECRETARIAL AUDIT

The provisions of section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 were not applicable to the Company, so, the Company has no requirement to obtain a Secretarial Audit Report from any Practicing Company Secretary (PCS) for the financial year ended March 31, 2022.

RELATED PARTY TRANSACTION UNDER SECTION 188 READ WITH RULE 8(2) OF COMPANY (ACCOUNT) RULES, 2014

The Company has not entered into any such material transactions with related parties covered under section 188 of the Companies Act, 2013 which have potential conflict with the interest of the Company. However, the transactions entered are in ordinary course of business and are at arm's length price. The same has been disclosed in the Notes to accounts forming part of the Balance Sheet in compliance with AS 18 of the Accounting Standards issued by ICAI.

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STATE OF THE COMPANY'S AFFAIRS

All other affairs of the Company in details have been given separately in different sections of the Board Report.

AMOUNTS PROPOSED TO BE CARRIED TO RESERVES, IF ANY.

An amount of Rs. 10.05 Lakhs was transferred to Statutory Reserves Account pursuant to Section 45 (IC) of the Reserve Bank of India Act, 1934 during the financial year 2021-22.

AMOUNT TO BE PAID BY WAY OF DIVIDEND AS PER SECTION 134(3)(K) & SECTION 123

Due to the uncertain economic conditions, the Company plans to invest its profits to increase its business operations. The Board regrets its inability to recommend any dividend for the financial year 2021-22.

MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY, OCCURRING BETWEEN DATE OF FINANCIAL STATEMENTS AND THE BOARD'S REPORT

During the period after the closure of financial year and date of financial statements and Board's Report, the company has opened new offices in the city of Ludhiana to expand the business of the company contributing to increase in revenue for the company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS &OUTGO, IN MANNER PRESCRIBED

A) Conservation of Energy

ELFPL ("the Company") is engaged in providing financial services and, as such, it's operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures were adopted by the Company such as:

- Installation of Light Emitting Diode ("LED") lights;
- Reducing electricity demand wherever under-utilized;
- Creating environmental awareness by way of distributing the information in electronic/digital form;
- Minimizing air-conditioning usage;
- Shutting off all lights, when not in use; and
- Education and awareness programs for employees.

The Management frequently puts circulars on the corporate intranet, workplace for its employees, educating them on ways and means to conserve electricity and other natural resources and ensures strict compliance of the same.

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B) **Technology Absorption**

(i) Exclusive Leasing and Finance Private Limited is using user friendly software for its operational activities.

(ii) New Developments in Technology Field

The Company has not made any new development in the technology field.

(iii) The Company has not used any imported technology during the previous three financial years.

(iv) During the year, the Company has not incurred any expenditure on Research & Development.

C) **Foreign exchange earnings and Outgo-**

There was no foreign exchange inflow or outflow during the year under review

DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY

Risk is an integral part of every Company's business, and sound risk management is critical to the success of the organization. Your Company is exposed to risks that are particular to its environment within which it operates. The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout your Company. The risk management process is continuously improved and adapted to the changing global risk scenario. The Company has a comprehensive Risk Management Policy. Major risks identified in the processes are systematically addressed through mitigating actions on a continuing basis. These are discussed among the board of directors and corrective actions are taken as advised. The Board reviews the risk management policies in relation to various risks and regulatory compliance issues.

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 read with rule 9 of Companies (Accounts) Rule, 2014 and Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable on the Company.

NAME OF THE COMPANIES WHICH HAS BECOME/CEASED TO BE SUBSIDIARIES /ASSOCIATES OR JOINT VENTURES DURING THE YEAR

During the financial year 2021-22, no Company became or ceased to be the subsidiary / Associate or joint venture of / Associate or joint venture of Exclusive Leasing and Finance Private Limited.

SEPARATE SECTION CONTAINING A REPORT ON PERFORMANCE AND FINANCIAL POSITION OF EACH OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any Subsidiary, Joint venture or Associate Company. Hence, no such separate report on performance and financial position is required.

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DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS, TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any orders from any of the regulators, courts, tribunals impacting the going concern status and company's operations.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A statement of adequacy of Internal Controls with reference to financial statements is attached with Auditor's report.

ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS, SWEAT EQUITY, ESOS ETC

The Company has not issued any equity shares with Differential Rights, Sweat Equity, ESOP etc.

TRANSFER OF UNPAID / UNCLAIMED DIVIDEND AND EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

As per section 124(5) of the Companies Act, 2013, the Company was not required to transfer any amount to the IEPF account.

PROVISIONING OF ASSETS AS PER RBI GUIDELINES

The Company has created provisions for Standard assets as required under RBI Guidelines amounting to Rs. 0.65 Lakhs as on March 31, 2022.
The Company has created provisions for Sub-Standard assets as required under RBI Guidelines amounting to Rs. 0.78 Lakhs (10%) as on March 31, 2022. The Company has created additional provisions for Sub-Standard assets amounting to Rs. 15.57 Lakhs (20%) as on March 31, 2022.

COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD - 1 AND SECRETARIAL STANDARD - 2

The Board of Directors affirms that the Company has complied with the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

APPOINTMENT OF RELATIVES OF DIRECTORS TO AN OFFICE OR PLACE OF PROFIT

No person covered under the term 'Relatives' as per the Companies Act, 2013 has been appointed to an office or place of profit.

VOLUNTARY REVISION OF FINANCIAL STATEMENT S

The Company has not revised its financial statements during the financial year 2021-22.

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DISCLOSURE IN RESPECT OF ANY MD / WTD RECEIVING COMMISSION FROM A COMPANY AND ALSO RECEIVING COMMISSION OR REMUNERATION FROM ITS HOLDING OR SUBSIDIARY COMPANY

The Company does not have any Managing Director/Whole Time Director; therefore, no disclosure is required to be made.

ESTABLISHMENT OF VIGIL MECHANISM

Section 177 of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 provides for establishment of vigil mechanism for directors and employees. Although the said provisions are not applicable to the company but Exclusive Leasing and Finance Private Limited has framed Vigil Mechanism to report concerns to the management, about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy, without any fear or threat of being victimized.

DISCLOSURE OF VOTING RIGHTS NOT EXERCISED DIRECTLY BY THE EMPLOYEES IN RESPECT OF SHARES UNDER SECTION 67(3) READ WITH RULE 16(4) OF SHARE CAPITAL AND DEBENTURES RULES, 2014

During the current financial year 2021-22, none of the employees have exercised the voting rights in shares as specified Under Section 67 (3) read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

A DISCLOSURE AS TO WHETHER MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SECTION 148(1) OF THE COMPANIES ACT, 2013 IS REQUIRED BY THE COMPANY

The company being a Non-Banking Financial Company registered with Reserve Bank of India is not required to maintain the cost records as specified in the provisions of Section 148(1) of the Companies Act, 2013.

CUSTOMER GRIEVANCE REDRESSAL

Exclusive Leasing and Finance Private Limited has adopted a well-structured customer grievance redressal mechanism and provides customers a reliable and easily accessible interface for timely and fair resolution of enquires & complaints. The policy aims to minimize the instances of customer complaints through proper service delivery and review mechanism.

- **Grievance Redressal Officer** - We have appointed Grievance Redressal Officer (GRO). GRO monitors customer grievances at all the levels and is responsible for ensuring timely resolution of all complaints. A report on status of customer grievances is periodically reviewed at various levels of Management and the Board for decision making and minimizing complaints.

We are glad to inform that during the Financial year under review, the company has not received any complaint from any customer or employee.

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SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL ACT 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013 has been notified by the ministry of Women and Child Development (WCD). The legislation came in force on December 09, 2013. According to Section 4 of the Act, the employer is required to constitute internal complaints committee. Accordingly, the Company has formed Internal Complaints Committee headed by Ms. Monica Mittal, Director of the Company. However, no such complaints were received during the period under review.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

No such application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not entered into one-time settlement with any bank or financial institution, thus the disclosure is not required to be given by the Company.

HUMAN RESOURCES

Human resource plays a vital in role in developing, reinforcing, and enhancing the culture of an organization. The Company's human resource department is aligned with its business strategy to build a strong culture of transparency and service orientation within the organization. The Company emphasises on people-friendly policies and practices first and focuses on adopting the best HR policy practices.

Strong management team

The Company continues attracting proficient professionals from various sectors. This has helped build a transparent, meritorious and performance-driven culture in the organization. Guided by the right leadership, the Company successfully attracts, creates and promotes a professional and purpose-driven team.

Encouraging Performance

The Company considers performance and potential to determine employee growth and promotions. We have clear demarcated parameters of performance measured through Individual Performance Measures (IPMs). These set expectations with regards to performance across the organization. Moreover, we also have an effective feedback mechanism that regularly

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helps employees improve their skills. Together these help align organization's objectives with employees' personal goals. Effective and appropriate IPMs help the Company reward people's performance.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the assistance and guidance provided by the Reserve Bank of India, the Ministry of Corporate Affairs, government and other regulatory Authorities, other statutory bodies, Company's bankers, Members and employees of the Company for the assistance, cooperation and encouragement and continued support extended to the Company.

Your Directors also gratefully acknowledge all stakeholders of the Company viz. customers, Members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. Our employees are instrumental in helping the Company scale new heights, year after year. Their commitment and contribution is deeply acknowledged. Your involvement as Members is also greatly valued. Your Directors look forward to your continuing support.

For and on behalf of
Exclusive Leasing and Finance Private Limited

Place: Jalandhar
Date: June 28, 2022

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Rajesh Katoch	**Kumar Uttam**	**Monica Mittal**
(Additional Director)	**(Director)**	**(Director)**
DIN: 09409294	**DIN: 07111470**	**DIN: 07905476**

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED

Report on the Audit of the Financial Statements

OPINION

We have audited the accompanying financial statements of **EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit / (loss), and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

OTHER MATTERS

The financial statements of the Company for the year ended 31st March, 2021, included in these financial statements, have been audited by the predecessor auditor, M/s MSKA & Associates, who expressed an unmodified opinion on those statements on October 12, 2021.

For Exclusive Leasing and Finance Private Limited

Our opinion is not modified with respect to this matter.

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INFORMATION OTHER THAN THE FINANCIAL STATEMENTS & AUDITOR'S REPORT THEREON

The company's management and board of directors is responsible for the other information. The other information comprises the information included in Board Report but does not included the financial statements and our auditor's report thereon. The Board Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit report of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

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financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and if required issue a revised Audit report on financial statement.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the company or to cease operation, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible

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for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclose in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by sub-section 3 of Section 143 of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable, read with relevant rules issued thereunder.
   e) On the basis of the written representation received from the Directors as on March 31, 2022, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2022 from being appointed as a Directors in terms of section 164(2) of the Act

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f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, vide notification no. 583(E) dated 13th June 2017, the company has been exempted from the requirement of its auditor reporting on whether the company has adequate internal financial controls with respect to the Financial Statements of the company and the operating effectiveness of such controls (Clause i of Section 143(3)).

g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations which would impact its financial position. Refer Note 25 to the Financial Statements.

ii) The Company did not have any long- term contracts including derivative contracts, other than those which have already been provided for which there were no material foreseeable losses.

iii) The Company is not required to transfer any amounts to the Investor Education and Protection Fund by the Company.

iv) a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 42 to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 42 to the Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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DELHI

v) Since, the Company has neither paid or declared any dividend during the year nor proposed any dividend for the year, hence, reporting requirement of clause (f) of rule 11 of the Companies (Audit and Auditors) Rules, 2014 are not applicable on the Company.

h) Company being a private limited company, hence the reporting requirement with respect to compliance of section 197 of the Act are not applicable on the Company

UDIN – 22529169AMADAV1970

For GSA & Associates LLP
Chartered Accountants
Firm's Reg. No: 000257N/N500339

Tanuj Chugh
(Partner)
M. No.: - 529619

Place: New Delhi
Date: June 28, 2022

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section of our report of even date of **EXCLUSIVE LEASING AND FINANCE PRIVATE LIMITED)**

AS REQUIRED BY THE COMPANIES (AUDITOR'S REPORT) ORDER, 2020 ("THE ORDER") ISSUED BY THE CENTRAL GOVERNMENT IN TERMS OF SECTION 143(11) OF THE ACT, WE GIVE IN THE ANNEXURE AS FOLLOWS:-

i) In respect of its property, plant and equipment and intangible assets:

a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

The Company has maintained proper records showing full particulars of intangible assets.

b) The property, plant and equipment were physically verified, during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all such items at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and the records examined by us, the Company does not own any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Hence, reporting requirement of Clause 3(i)(c) of the Order is not applicable.

d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) In respect of clause 3(ii), we state that:-

a) The Company is a financing company, primarily in the business of providing loans to its customers. Accordingly, it does not hold any physical inventories. Thus, the provision of Clause 3(ii)(a) of the Order is not applicable to the Company.

b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under Clause 3(ii)(b) of the Order is not applicable.

iii) The company has granted secured and unsecured loans to other parties during the year, in respect of which:-

a) Since the principal business of the Company is to give loans, hence, reporting requirements of Clause 3(iii)(a) of the Order is not applicable to the Company.

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b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms of all loans provided are not prejudicial to the company's interest.

c) According to the information and explanations given to us and based on the audit procedures performed by us, the schedule of repayment of principal and payment of interest has been stipulated by the Company for all the loans. Further, except for the instances where there are defaults in repayment of principal and/or interest in respect of which the Company has recognized necessary provisions in accordance with the principles of Indian Accounting Standards "Ind AS" and the guidelines issued by the Reserve Bank of India "RBI" for Income Recognition and Asset Classification norms, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest. As of 31st March, 2022, overdue amount is INR 78.34 Lakhs (including overdue interest of INR 0.26 Lakhs) which pertains to 15 borrowers.

d) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has taken reasonable steps for recovery of principal and interest in all cases wherein amount is overdue. As of 31st March, 2022, overdue amount for more than 90 days is INR 77.83 Lakhs (including interest overdue for more than 90 days of INR Nil Lakhs) which pertains to 2 borrowers.

e) Since the principal business of the Company is to give loans, hence, reporting requirements of Clause 3(iii)(e) of the Order is not applicable.

f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under Clause 3(iii)(f) of the Order is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not undertaken any transaction in respect of loan, guarantees and securities covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act.

v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. Hence, reporting under Clause 3(v) of the Order is not applicable.

vi) Pursuant to the rules made by the Central Government of India, Company is not required to maintain cost records as specified under Section 148(1) for the business activities carries out by the Company. Hence, reporting under Clause 3(vi) of the Order is not applicable.

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vii) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion:

a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Goods and Services Tax, and other material statutory dues, as applicable to the Company, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Services Tax, and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there were no statutory dues referred in sub-clause (a) above which have not been deposited on account of any dispute.

viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)

ix) With respect to the loans and borrowing obtained by the Company, we report that:-

a) In our opinion and according to the information and explanation given to us, the company hasn't defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given to us, the company has not taken any term loan during the year & hence reporting under this clause is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

e) The Company does not have any subsidiaries, associates or joint ventures. Hence, reporting under Clause 3(ix)(e) and (f) of the Order are not applicable.

x) With respect to Clause 3(x), we state that:-

a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under Clause 3(x)(a) of the Order is not applicable.

b) According to the information and explanations given to us, the Company has neither made any private placement of shares or convertible debentures (fully or partly or optionally) nor made any preferential allotment of shares during the year. Hence, the compliance requirement of Section 62 of the Companies Act, 2013 are not applicable on the Company.

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xi) With respect to clause 3(xi), we state that:-

a) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) In our opinion and according to the information and explanations given to us, no whistle blower complaints has been received by the Company during the year (and upto the date of this report).

xii) The Company is not a Nidhi Company and hence reporting under Clause 3(xii) of the Order is not applicable.

xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable Indian Accounting Standards. Further, provisions of section 177 of the Act are not applicable on the Company.

xiv) With respect to Clause 3(xiv), we state that:-

a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi) With respect to Clause 3(xvi), we state that:-

a) The Company is required to, and has been registered under section 45-IA of the Reserve Bank of India Act, 1934 as Non -Banking Financial Company vide registration No. 14.01142 dated 15th September 1998.

b) The Company is not a Housing Finance Company as defined in the regulations made by the Reserve Bank of India. Hence, reporting under this clause of the order are not applicable.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) and (d) of the order are not applicable.

GSA & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * DELHI

xvii) The Company has neither incurred cash losses during the financial year & nor in the preceding financial year.

xviii) Pursuant to the guidelines for appointment issued for statutory auditors for NBFC's (including HFC's) issued by Reserve Bank of India dated 27th April, 2021, there has been resignation of the statutory auditors during the year. Based on our communication available on record with erstwhile auditors, there are no professional issues, objections or concerns raised, by the outgoing auditors.

xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx) Since, the Company is not meeting threshold specified in section 135(1) of the Act, reporting requirements of Clause 3(xx)(a) and (b) of the Order with respect to Corporate Social Responsibility are not applicable on the Company.

UDIN – 22529169AMADAV1970

For GSA & Associates LLP
Chartered Accountants
Firm's Reg. No: 000257N/N500339

Tanuj Chugh
(Partner)
M. No.: - 529619
Place: New Delhi
Date: June 28, 2022

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Balance Sheet as at March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,000.00	1,000.00
Reserve and surplus	3	74.66	24.40
		1,074.66	1,024.40
Non-current liabilities			
Long term borrowings	4	1,751.00	1,760.00
Deferred tax liabilities (net)	24	0.09	-
Other long term liabilities	5	1.88	1.96
Long term provisions	6	3.84	2.96
		1,756.81	1,764.92
Current liabilities			
Short term borrowings	7	589.84	49.93
Trade payables	8		
- Micro, small & medium enterprises		0.72	0.17
- Other than micro, small & medium enterprises		3.75	6.17
Other current liabilities	9	83.88	77.84
Short term provisions	10	61.22	31.60
		739.41	165.71
		3,570.88	2,955.03
ASSETS			
Non-current assets			
Property, plant and equipment and Intangible Assets			
- Property, plant and equipment	11(a)	67.43	15.00
- Capital Work-in-Progress	11(b)	-	7.24
Non current investments	12	77.00	77.00
Deferred Tax Asset (Net)	24	-	0.38
Long term loans and advances	13	1,108.97	1,012.04
Other non-current assets	14	210.90	108.89
		1,464.30	1,220.55
Current assets			
Cash and cash equivalents	15	81.17	32.41
Other Bank Balances	16	-	123.00
Short term loans and advances	17	1,993.94	1,546.48
Other current assets	18	31.47	32.59
		2,106.58	1,734.48
		3,570.88	2,955.03

Summary of Significant Accounting Policies 1
The accompanying notes form an integral part of these financial statements.

As per our report of even date

For GSA & Associates LLP
Chartered Accountants
Firm Registration Number: 000257N/N500339

Tanuj Chugh
Partner
Membership Number: 529619
Place: New Delhi
Date: 28-06-2022

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Private Limited
(Formerly known as Exclusive Leasing and Finance Limited)
CIN: U65921DL1984PTC018746

Monica Mittal
Director
DIN: 07905476
Place: Jalandhar
Date: 28-06-2022

Kumar Uttam
Director
DIN: 07111470
Place: Jalandhar
Date: 28-06-2022

Karan Jairath
Company Secretary
PAN: AOEPJ4636B
Place: Jalandhar
Date: 28-06-2022

Rajesh Katoch
Additional Director
DIN: 09528988
Place: Jalandhar
Date: 28-06-2022

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	20	466.28	315.77
Other income	21	22.34	-
Total revenue		488.62	315.77
Expenses			
Employee benefits expense	22	63.72	36.15
Depreciation and amortisation expense	11	6.42	2.19
Finance cost	23	243.64	107.06
Other expenses	24	99.16	148.00
Total Expenses		412.94	293.41
Profit/Loss before tax		75.68	22.36
Tax expenses			
- Current tax		25.01	17.62
- Deferred Tax	25	0.47	(0.42)
- Adjustment relating to earlier years		(0.06)	(0.04)
Profit/Loss after tax		50.26	5.20
Earnings per equity share [nominal value per share INR 10 (Previous year INR 10)]			
Basic	26	0.50	0.05
Diluted	26	0.50	0.05
Weighted number of equity shares		1,00,00,000	1,00,00,000

Summary of Significant Accounting Policies 1

The accompanying notes form an integral part of these financial statements.

As per our report of even date

For GSA & Associates LLP
Chartered Accountants
Firm Registration Number: 000257N/N500339

Tanuj Chugh
Partner
Membership Number: 529619
Place: New Delhi
Date: 28-06-2022

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
CIN: U65921DL1984PTC018746

Monica Mittal
Director
DIN: 07905476
Place: Jalandhar
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Rajesh Katoch
Additional Director
DIN: 09528988
Place: Jalandhar
Date: 28-06-2022

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Cash flow statement for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A	**Cash Flow from Operating Activities:**		
	Net profit/ (loss) before tax	75.68	22.36
	Adjustments for:		
	Depreciation	6.42	2.19
	Amortisation of capital expenses	-	12.24
	Dividend income	(0.60)	-
	Profit on redemption of mutual fund units	-	(4.76)
	Interest income	(431.59)	(224.83)
	Interest expenses	242.43	106.89
	Provision against Standard and Sub Standard Assets	24.00	33.72
	Provision For Gratuity & Leave Encashment	1.32	-
	Rent Equilisation Reserve	(0.15)	2.03
	Operating loss before working capital changes	(82.48)	(50.16)
	Adjustments for:		
	Increase in Loans and advances	(545.63)	(2,282.04)
	(Increase)/Decrease in Other Assets	0.17	331.40
	Increase in Other Liabilities	4.33	53.12
	Cash used in Operations before Adjustments for Interest Received, Interest Paid and Dividend Received	(623.61)	(1,947.67)
	Interest Paid	(242.43)	(98.22)
	Interest Received	431.59	196.35
	Cash from/(used) in Operations	(434.46)	(1,849.55)
	Taxes Paid	(25.42)	-
	Net Cash (used in)/Generated Operating Activities (A)	(459.88)	(1,849.55)
B	**Cash Flow from Investing Activites:**		
	Purchase of Property, Plant and Equipment	(45.19)	(5.60)
	Capital Work In Progress	-	(7.24)
	Purchase of Equity Shares	-	(77.00)
	Proceeds from Redemption of Mutual Fund Units	-	554.68
	Proceeds from Dividend Income	0.60	-
	Fixed Deposits- Matured/(Placed)	13.97	(143.00)
	Net Cash (used in)/ from Investing Activities (B)	(30.62)	321.84
C	**Cash Flow from Financing Activities:**		
	Net Increase/(Decrease) in Short-Term Borrowings	39.91	(39.56)
	Proceeds from Issue of Debentures	-	1,650.00
	Proceeds from Long-Term Borrowings	601.00	-
	Repayment of Long-Term Borrowings	(110.00)	(90.00)
	Net Cash from Financing Activities (C)	530.91	1,520.44
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	40.41	(7.26)
	Cash and Cash Equivalents at the beginning of the year	12.41	19.68
	Cash and Cash Equivalents at the end of the year	52.82	12.41
	Cash and Cash Equivalents:		
	Cash in Hand	0.06	0.25
	With Bank in Current Accounts	52.76	12.16
	Cash and Cash Equivalents (Note 15)	52.82	12.41

Notes :

1. The above Cash flow statement has been prepared under the 'Indirect method' set out in Accounting Standard-3, "Cash Flow Statement" notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014.
2. Figures in bracket indicate cash outflow.

The accompanying notes form an integral part of these financial statements

As per our report of even date
For GSA & Associates LLP
Chartered Accountants
Firm Registration Number: 000257N/N500339

Tanuj Chugh
Partner
Membership Number: 529619
Place: New Delhi
Date: 28-06-2022

For and on behalf of the Board of Directors of
Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)

Monica Mittal
Director
DIN: 07905476
Place: Jalandhar
Date: 28-06-2022

Kumar Uttam
Director
DIN: 07111470
Place: Jalandhar
Date: 28-06-2022

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Company Secretary
PAN: ADEPJ4636B
Place: Jalandhar
Date: 28-06-2022

Rajesh Katoch
Additional Director
DIN: 09528988
Place: Jalandhar
Date: 28-06-2022

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

2 Share capital

	As at March 31, 2022	As at March 31, 2021
Authorised		
20,000,000 equity shares of Rs.10 each (Previous Year 20,000,000 equity shares)	2,000.00	2,000.00
Issued, subscribed and fully paid up		
10,000,000 equity shares of Rs.10 each (Previous Year 10,000,000 equity shares)	1,000.00	1,000.00

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	Year ended March 31, 2022		Year ended March 31, 2021	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	1,00,00,000	1,000	1,00,00,000	1,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,00,00,000	1,000	1,00,00,000	1,000

b) Detail of shareholders holding more than 5 % shares in the Company

Name of Shareholders	As at March 31, 2022		As at March 31, 2021	
	Number	% holding	Number	% holding
Ashish Bhandari	47,30,000	47.30%	47,30,000	47.30%
V.K Bhandari & Sneh Bhandari (Joint shareholders)	21,00,000	21.00%	21,00,000	21.00%
Rohit Anand	20,00,000	20.00%	20,00,000	20.00%
M/s Insta Apphanced Private Limited	6,00,000	6.00%	6,00,000	6.00%

c) Promoter shareholding

Promoter Name	As at 31st Mar, 2022		As at 31st Mar, 2021		%Change during the
	No. of Shares	% shareholding	No. of Shares	% shareholding	
Ashish Bhandari	47,30,000	47.30%	47,30,000	47.30%	-
Vijay Kumar Bhandari & Sneh Bhandari	21,00,000	21.00%	21,00,000	21.00%	-
Sneh Bhandari & Vijay Kumar Bhandari	2,00,000	2.00%	2,00,000	2.00%	-
Prerna Bhandari & Ashish Bhandari	2,10,000	2.10%	2,10,000	2.10%	-

Promoter Name	As at 31st Mar, 2021		As at 31st Mar, 2020		%Change during the
	No. of Shares	% shareholding	No. of Shares	% shareholding	
Ashish Bhandari	47,30,000	47.30%	47,30,000	47.30%	-
Vijay Kumar Bhandari & Sneh Bhandari	21,00,000	21.00%	21,00,000	21.00%	-
Sneh Bhandari & Vijay Kumar Bhandari	2,00,000	2.00%	2,00,000	2.00%	-
Prerna Bhandari & Ashish Bhandari	2,10,000	2.10%	2,10,000	2.10%	-

c) Terms / rights attached to ordinary shares

The Company has only one class of Equity Shares having a par value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

d) The company has not alloted any equity shares as fully paid up by way of bonus shares or other than consideration in cash in the last 5 years.

3 Reserves & surplus

	As at March 31, 2022	As at March 31, 2021
a) Statutory reserve fund created under Section 45-IC of the Reserve bank of India Act, 1934 ('RBI Act')		
Balance at the beginning of the year	178.10	177.06
Add: Transferred from Statement of profit and loss	10.05	1.04
Balance at the end of the year	188.15	178.10
b) Securities premium account		
Balance at the beginning of the year	10.75	10.75
Addition during the year	-	-
Balance at the end of the year	10.75	10.75
c) Deficit in the statement of profit and loss		
Balance at the beginning of the year	(164.45)	(168.61)
(+) Net Profit/(Net Loss) For the current year	50.26	5.20
Less: Transfer to statutory reserve	(10.05)	(1.04)
Balance at the end of the year	(124.24)	(164.45)
	74.66	24.40

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

4 Long Term Borrowings

	As at March 31, 2022	As at March 31, 2021
Secured Loans:		
Non Convertible Debentures*	1,150.00	1,650.00
Unsecured Loans:		
Inter Corporate Deposits	-	110.00
Loans from Director/Relatives of Director	601.00	-
	1,751.00	1,760.00

*** Non Convertible Debentures:- Terms of repayment, security and interest rate:**
Debentures are secured by way of exclusive charge by way of hypothecation over the loans identified by the company and receivables due to the company with respect to identified loans.
Interest on Debentures is payable Quarterly at the rate mentioned below. Debentures shall be redeemed in full at their maturity.
Redeemable non-covertible debentures (NCD) -Secured
Public issue of redeemable non convertible debentures of Rs. 10 lacs each

Name of Debenture Holder	Amount of Secured Redeemable Non Convertible Debentures (Rs. In Lakhs)	ROI (p.a.)	Remaining Tenure
Aviator Emerging Market Fund	550.00	14%	42 Months
Calypso Global Investment Fund	300.00	13%	35 months
Citrus Global Arbitrage Fund	300.00	13%	35 months
Total	1,150.00		

Loans From Directors / Relatives of Directors / Shareholders

Particulars	Amount of Unsecured Loan Outstanding as on 31-03-2022	ROI (p.a.)	Remaining Tenure
Ashish Bhandari	100.76	14%	36 Months
Ashish Bhandari	51.54	14%	35 Months
Meenu Chawla	43.11	14%	19 Months
Meenu Chawla	54.38	14%	18 Months
Prerna Bhandari	51.54	14%	35 Months
Sneh Bhandari	51.62	14%	35 Months
Sonal Dhawan	75.10	14%	24 Months
Sonal Dhawan	25.21	14%	36 Months
Sonal Dhawan	43.11	14%	19 Months
Sonal Dhawan	54.38	14%	18 Months
Tushar Chawla	25.22	14%	36 Months
Vijay Kumar Bhandari	25.03	14%	36 Months
Total	601.00		

During the year there were no defaults in the repayment of principal and interest.

5 Other Long Term Liabilities

	As at March 31, 2022	As at March 31, 2021
Rent equalisation reserve	1.88	1.96
	1.88	1.96

6 Long Term Provisions

	As at March 31, 2022	As at March 31, 2021
Provision for Loans*:		
For standard assets	2.77	2.96
For Gratuity	1.06	-
	3.84	2.96

* This is in line with RBI Provisioning Norms.

GSA & Associates LLP Chartered Accountants Delhi

Exclusive Leasing and Finance Private Limited

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

7 Short Term Borrowings

	As at March 31, 2022	As at March 31, 2021
Secured Loans:		
Non Convertible Debentures	500.00	-
Bank Overdraft*	89.84	49.93
	589.84	49.93

*Overdraft Facility of Rs.1,92,00,000/- at an Interest Rate of 6.50% is secured against Fixed Deposit amounting Rs.2,00,00,000 placed with Bank.

^ **Non Convertible Debentures:- Terms of repayment, security and interest rate:**
Redeemable non-covertible debentures (NCD) -Secured
Public issue of redeemable non convertible debentures of Rs. 10 lacs each

Name of Debenture Holder	Amount of Secured Redeemable Non Convertible Debentures (Rs. In Lakhs)	ROI (p.a.)	Remaining Maturity
Calypso Global Investment Fund	250.00	13%	8 Months
Navigator Emerging Market Fund	250.00	13%	8 Months
TOTAL	500.00		

During the year there were no defaults in the repayment of principal and interest.
The Company has not been declared wilful defaulter by any bank or financial institution.
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

8 Trade Payables

	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	0.72	0.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.75	6.17
	4.47	6.34

Disclosure relating to suppliers registered under Micro, Small and Medium Enterprises Development Act based on the information available with the Company. The required disclosure under the MSMED Act are given below:

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
The principal amount	0.72	0.17
The interest due thereon	-	-
(b) the amounts paid by the buyer during the year:		
Interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006)	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding	-	-

Ageing of Trade Payables as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				Grand Total
	< 1 Years	1-2 years	2-3 years	> 3 years	
(i) MSME	0.71	-	-	-	
(ii)Others	3.75	-	-	-	0.71
(iii) Disputed dues -MSME	-	-	-	-	3.75
(iv) Disputed dues - Others	-	-	-	-	-
Total					-
					4.47

Ageing of Trade Payables as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment				Grand Total
	< 1 Years	1-2 years	2-3 years	> 3 years	
(i) MSME	0.17	-	-	-	
(ii)Others	6.17	-	-	-	0.17
(iii) Disputed dues -MSME	-	-	-	-	6.17
(iv) Disputed dues - Others	-	-	-	-	-
Total					-
					6.34

9 Other Current liabilities

	As at March 31, 2022	As at March 31, 2021
Payable to Co-lender/BC Partner	40.06	28.87
Interest Accured but not due on Inter-Corporate Deposits	-	8.68
Statutory dues payable	11.16	9.02
Rent Equalisation Reserve	-	0.07
Income Received in Advance	11.95	7.86
Other Payables	20.70	23.35
	83.88	77.84

10 Short Term Provisions

	As at March 31, 2022	As at March 31, 2021
Provision for Loans*:		
For Standard Assets.	4.79	3.96
Due to COVID-19 Impact	27.65	27.65
Gratuity	0.00	-
For Sub-Standard Assets.	23.35	-
For Leave Encashment	0.25	-
Provision for Income Tax	5.18	-
	61.22	31.60

* This is in line with RBI provisioning norms

GSA & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * DELHI

Exclusive Leasing and Finance Private Limited

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

11 (a). Property, Plant and Equipment-Tangible assets

Particulars	Gross Block (at cost)				Depreciation				Net Block (at cost)	
	As at March 31, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2021	For the Year	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Own assets										
Furniture & Fixtures	5.64	11.62	-	17.26	0.49	0.99	-	1.48	15.77	5.15
Office Equipments	1.74	3.82	-	5.56	0.35	0.75	-	1.09	4.47	1.39
Electrical Installations and Equipments	0.31	2.81	-	3.12	0.01	0.18	-	0.19	2.92	0.30
Computers	4.30	3.85	1.27	6.89	0.95	1.52	-	2.47	4.42	3.35
Leasehold Improvements	5.62	38.02	-	43.63	0.81	2.98	-	3.79	39.84	4.81
	-				-					
Total	17.61	60.12	1.27	76.46	2.61	6.42	-	9.03	67.43	15.00

11 (b). Capital work in progress

Ageing for capital work-in-progress as at March 31, 2022 is as follows:

Particulars	Amount of Capital Work in progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	-	-	-	-	-

Ageing for capital work-in-progress as at March 31, 2021 is as follows:

Particulars	Amount of Capital Work in progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	7.24	-	-	-	7.24

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
(ii) The Company does not own any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee).
(iii) No revaluation made during the year and previous year.

Exclusive Leasing and Finance Private Limited *

GSA & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * DELHI

(All amounts are in INR Lakhs, unless otherwise stated)

12 Non current Investments

	As at March 31, 2022	As at March 31, 2021
Investments in Equity Shares		
Unquoted		
Midland Microfin Limited		
(100,000 Equity shares of Face Value Rs.10 each, purchased at Rs. 77 each)	77.00	77.00
	77.00	77.00
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	77.00	77.00

13 Long-term Loans and Advances

	As at March 31, 2022	As at March 31, 2021
Secured and considered good		
(i) Loans against Hypothecation of Assets.	535.46	826.43
(ii) Loans Against Property.	556.93	24.65
Unsecured and considered good		
(i) Others.	16.58	160.96
	1,108.97	1,012.04

Above Loans & Advances are net of FLDG/Cash Collateral deposited by the borrowers with the company details of which are given below:

Particulars	GROSS Outstanding	FLDG/Cash Collateral	NET Outstanding
Loans against Hypothecation	636.91	101.45	535.46
Loans against Property	589.48	32.56	556.93
	1,242.97	134.00	1,108.97

14 Other non-current assets

	As at March 31, 2022	As at March 31, 2021
Security Deposits	5.25	3.93
TDS Recoverable	0.19	0.19
Deposits with original maturity for more than 12 months *	205.45	104.77
	210.90	108.89

* Pledged as security against the Bank Overdraft

15 Cash and bank balances

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
-Current Accounts	52.76	12.16
-Deposits with original maturity of less than three months	28.35	20.00
Cash on hand	0.06	0.25
	81.17	32.41

GSA & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * DELHI

Exclusive Leasing and Finance Private Limited *

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

16 Other bank balances

	As at March 31, 2022	As at March 31, 2021
Deposits with original maturity for more than 3 months but less than 12 months	-	123.00
	-	123.00

17 Short term loans and advances

	As at March 31, 2022	As at March 31, 2021
Secured and considered good		
(i) Loans against Hypothecation of Assets	1,460.79	1,205.10
(ii) Loans against Pledge of Gold	89.05	-
(iii) Loan against Property	77.01	323.71
Unsecured and considered good		
(i) Others	361.00	17.67
Other Advances	6.09	-
	1,993.94	1,546.48

Above Loans & Advances are net of FLDG/Cash Collateral deposited by the borrowers with the company details of which are given below:

Particulars	GROSS Outstanding	FLDG/Cash Collateral	NET Outstanding
Loans against Hypothecation	1587.15	126.36	1,460.79
Loans against Pledge of Gold	89.05	-	89.05
Loans against Property	80.14	3.13	77.01
Unsecured MSME Loans	361.00	-	361.00
Interest Bearing Trade Advance to Dealers	6.09	-	6.09
	2,123.43	129.49	1,993.94

18 Other Current Assets

	As at March 31, 2022	As at March 31, 2021
Other Receivable	19.57	0.19
Prepaid Expenses	1.54	0.08
Other advance	10.06	0.44
Imprest to employees	-	0.37
Balance with Revenue Authorities	0.30	3.02
Interest Accured on Fixed Deposits	-	11.31
Interest Accrued but not due on Loans	-	17.18
	31.47	32.59

GSA & ASSOCIATES LLP * DELHI * CHARTERED ACCOUNTANTS

Exclusive Leasing and Finance Private Limited *

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

19 Revenue from operations	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income		
Loans and advances	416.66	199.93
Fixed deposits	14.93	24.90
Other operating income		
Loan Processing Charges	31.76	86.18
Profit on sale of Mutual Funds	-	4.76
Other Charges	2.94	-
	466.28	315.77

20 Other Income	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Income tax refund	0.18	-
Dividend	0.60	-
Due Diligence Fees	21.16	-
Rebate & Discount	0.39	-
	22.34	-

21 Employee benefits expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, allowances and incentives	60.41	35.62
Staff welfare expenses	0.80	0.41
Provision for Gratuity	1.07	-
Provision for Leave Encashment	0.25	-
Contribution to Funds	1.18	0.12
	63.72	36.15

22 Finance Cost	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expense	242.43	106.89
Bank Interest and Bank Charges	1.21	0.17
	243.64	107.06

23 Other Expenses	For the year ended March 31, 2022	For the year ended March 31, 2021
Legal and Professional Charges	22.36	24.84
Arranger Fees	-	50.37
Rent Expenses	13.41	9.84
Commission Expenses	7.23	-
Contractor Services	1.38	-
Entertainment Expenses	0.08	-
FCU Services	0.15	-
Festival Expenses	0.46	-
Amortization of Capital Expenses	-	12.24
Travelling and Conveyance Expenses	7.16	4.08
Provision for Standard Assets	0.65	6.07
Provision for Sub-Standard Assets	23.35	-
Provision for Covid-19	-	27.65
Insurance expenses	1.51	-
Legal Search Fees	2.00	-
Valuation and Technical Charges	0.64	-
Fees and Subscription Charges	3.48	3.93
Supervision and Service Fees	7.23	-
Repair and Maintenance Expenses	0.67	0.59
Electricity Expenses	0.66	0.48
Rates and Taxes	0.43	0.32
Advertisement Expenses	0.22	0.23
Payment to auditors	3.16	3.57
Communication expenses	0.84	1.00
Office Expenses	0.50	0.09
Printing and Stationery Expenses	0.45	0.23
Miscellaneous Expenses	1.15	2.48
	99.16	148.00

Payment to auditor	For the year ended March 31, 2022	For the year ended March 31, 2021
Statutory audit	3.00	3.50
Tax Audit	0.16	-
Out of Pocket Expenses	-	0.07
	3.16	3.57

GSA & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * DELHI

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

24 **Deferred Tax Asset/Liability and Income Tax**

A. Deferred Tax Asset/ Liability

Gross Deferred Tax Assets and Liabilities are as follows:

Particulars	As at March 31, 2022	Charge/ (Benefit) during the year	As at March 31, 2021
Deferred Tax Asset			
- Rent	0.47	(0.04)	0.51
Deferred Tax Liability			
- Depreciation on Property, Plant and Equipment	0.57	0.43	0.13
Net Deferred Tax Asset/(Liability)	(0.09)	(0.47)	0.38

B. Income Tax

The components of income tax expense for the year ended March 31, 2022 and March 31, 2021 are:

	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	25.01	17.62
Deferred Tax(Credit)/ Charge relating to origination and reversal of temporary differences	0.47	(0.42)
Earlier year tax adjustments	(0.06)	(0.04)
	25.42	17.16

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2022 and year ended March 31, 2021 is, as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax	75.68	22.36
At India's statutory income tax rate of 25.168%	19.05	5.63
Non-deductible expenses	5.77	11.99
Donation not allowable for tax purpose	-	-
Interest on delayed payments to MSME	-	-
Others	0.61	(0.46)
Income tax expense reported in the statement of profit and loss	25.42	17.16

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account. Also there are no previously unrecorded income and unrelated assets which are to be recorded in the books of accounts during the year.

25 **Contingent liabilities and Commitments (to the extent not provided for)**

a) The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are requried and disclosed as contingent liabilities in its financial statements. The amount of contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same

b) The Company has sanctioned loans which are still to be disbursed amounting to Rs. 48.43 Lakhs (Previous year Rs.8.64 Lakhs)

26 **Earning Per Share**

Particulars	As at March 31, 2022	As at March 31, 2021
Net profit/ (loss) attributable to equity shareholders for basic and diluted EPS (a)	50,26,005	5,20,269
Weighted average of number of equity shares outstanding during the year (b)	1,00,00,000	1,00,00,000
Nominal value of shares	10	10
Basic and diluted Earning per equity share (a/b)	0.50	0.05

GSA & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * DELHI

Exclusive Leasing and Finance Private Limited *

(All amounts are in INR Lakhs, unless otherwise stated)

27 In accordance with the Accounting Standard (AS-18) on "Related Party Disclosures", the disclosures are as follows:

A. Name of Related Parties and Nature of Relationship
Related parties with whom transactions have taken place during the year:

A) **Name of related parties**

(a) **Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual;**

Ashish Bhandari
Prerna Bhandari
Rohit Anand

(b) **Key Management Personnel & their Relatives**

Vijay kumar Bhandari
Rajev Adlakha
Rajesh Katoch
Sneh bhandari
Sonal Dhawan
Meenu Chawla
Karan Jairath (Company Secretary)

(c) **Enterprises over which any person described in (a) or (b) is able to exercise significant influence or is under common control.**
Agile Finserv Private Limited

B. Transactions with related parties during the year

Particulars	Individuals, & their relatives, having control/significant influence over the company		KMP & Their Relatives		Enterprises over which any person described in (a) or (b) has significant influence or is under common control.	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Due Diligence Fees						
Agile Finserv Private Limited	-	-	-	-	2.08	
Professional Fees Paid						
Mr. Rajesh Katoch	-	-	3.98	-	-	-
Mr. Rajev Adlakha	-	-	0.75	-	-	-
Interest on Loan						
Vijay Kumar Bhandari	-	-	0.04	-	-	-
Sneh Bhandari	-	-	0.68	-	-	-
Sonal Dhawan		-	6.45	-	-	-
Meenu Chawla	-	-	6.10	-	-	-
Ashish Bhandari	1.64	-	-	-	-	-
Prerna Bhandari	0.68	-	-	-	-	-
Reimbursement of Expenses						
Vijay Kumar Bhandari	-	-	0.43	-	-	-
Rajesh Katoch	-	-	0.62	-	-	-
Karan Jairath (Company Secretary)			1.74	0.31	-	-
Ashish Bhandari	0.18	0.09	-	-	-	-
Sale/Transfer of Asset						
Agile Finserv Private Limited	-	-	-	-	0.42	-
Loans Received						
Vijay Kumar Bhandari	-	-	25.00	-	-	-
Sneh Bhandari	-	-	51.00	-	-	-
Sonal Dhawan	-	-	192.00	-	-	-
Meenu Chawla	-	-	92.00	-	-	-
Ashish Bhandari	151.00	-	-	-	-	-
Prerna Bhandari	51.00	-	-	-	-	-
Remuneration						
Karan Jairath (Company Secretary)	-	-	9.01	7.80		-

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Exclusive Leasing and Finance Private Limited *

C. Balances Outstanding at the end of the year

Particulars	Individuals, & their relatives, having control/significant influence over the company		KMP & Their Relatives		Enterprises over which any person described in (a) or (b) has significant influence or is under	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Amount Receivables						
Agile Finserv Private Limited	0.00	0.00	0.00	0.00	2.66	0.00
Professional Fee Payable						
Rajesh Katoch	0.00	0.00	1.27	0.00	0.00	0.00
Rajev Adlakha	0.00	0.00	0.23	0.00	0.00	0.00
Unsecured Loans						
Vijay Kumar Bhandari	0.00	0.00	25.03	0.00	0.00	0.00
Sneh Bhandari	0.00	0.00	51.62	0.00	0.00	0.00
Sonal Dhawan	0.00	0.00	197.80	0.00	0.00	0.00
Meenu Chawla	0.00	0.00	97.49	0.00	0.00	0.00
Ashish Bhandari	152.30	0.00	0.00	0.00	0.00	0.00
Prerna Bhandari	51.54	0.00	0.00	0.00	0.00	0.00

28 **Segment Information**

The Company's main business is to provide loans. There are no business operations located "Outside India". Hence all the activities are considered as a "Single

29 There are no expenditure and earnings in foreign currency.

30 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

31 There were no amounts which were required to be transferred to the Investor and Protection Fund by the Company.

32 The Company avails Long-term Leases for Office Premises including Office Furniture for a period between 1 and 9 Years. The total expense incurred under the operating lease agreements recognized as an expense in the Statement of Profit and Loss during the year is Rs. 13.41 lakhs (Previous Year Rs. 9.84 Lakhs).

Particulars	As at March 31, 2022	As at March 31, 2021
Payable within one year	7.84	11.23
Payable between one and five years	35.04	44.86
Payable later than five years	23.42	28.35

GSA & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * DELHI

Exclusive Leasing and Finance Private Limited *

(All amounts are in INR Lakhs, unless otherwise stated)

33 **Disclosures required for NBFC as per Master Direction - Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve**

i Percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets - 2.65% (Previous Year - Nil)

ii **Statement for Disclosure on Statutory Reserves, as prescribed by RBI vide RBI/2006-07/132 DBOD.BP.BC No. 31/ 21.04.018/ 2006-07 dated September 20,**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Balance at the beginning of the year	178.10	177.06
Addition / Appropriation / Withdrawal during the year	10.05	1.04
Balance at the end of the year	188.15	178.10

iii The Company does not have any joint ventures and subsidiaries abroad as at March 31, 2022 as well as in the previous year.

iv The Company has not entered into any derivative transactions during the year. Refer in Note No. 30.

v The Company has not entered any Forward rate/ Interest rate swap agreement during the year.

vi **Securitization/ Assignment during the year:**

a. There are no Special Purpose Vehicles (SPVs) sponsored by the Company.

b. The Company has not sold any Financial Assets to Securitization/ Reconstruction Company for Asset Reconstruction during the current year as well as previous

c. The Company has not entered into any assignment transactions in which it has transferred the assets to the buyer, during the current year as well as previous

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amount of purchased assets measured at amortised cost	377.58	562.06

d. The Company has neither purchased nor sold any non-performing financial assets from/to any other housing finance companies during the current year as well as previous year.

vii **Details of non-performing financial assets purchased /sold**

The Company has not purchased/ sold any non-performing financial assets from other NBFCs in March 31, 2022 as well as in previous year.

viii **Exposure to real estate sector, both direct and indirect**

Category	As at March 31, 2022	As at March 31, 2021
(a) Direct exposure		
(i) Residential mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	633.93	63.36
(ii) Commercial real estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels,	-	300.00
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures		
A Residential,	-	-
B Commercial Real Estate.	-	-
Total Exposure to Real Estate Sector	633.93	363.36

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Exclusive Leasing and Finance Private Limited *

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

ix **Exposure to Capital Market**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds.	77.00	77.00
Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares	-	-
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented	-	-
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for	-	-
Bridge loans to companies against expected equity flows / issues;	-	-
All exposures to Venture Capital Funds (both registered and unregistered)	-	-

x **Details of financing of parent company products**
The Company has not financed any of the parent Company product.

xi **Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL)**
The Company has not exceeded the prudential exposure limit for single borrower or group borrower during the year.

xii **Unsecured Advances**
The Company has given unsecured advances during the year and as on March 31, 2022, as mentioned in Schedule for Loans & Advances.

xiii **Miscellaneous**
a. Reserve Bank of India - Registration Number: 14.01142
b. From Ministry of Corporate Affairs - U65921DL1984PTC018746
The company has not obtained registration from any other financial sector regulator.

xiv No penalties have been levied by any regulator during the year ended March 31, 2022 as well as in the previous year.

xv **Rating assigned by Credit Rating Agencies and migration of rating during the year**

Non Convertible Debentures/Bonds	NIL
Bank limits (rated on long term/short term scale)	NIL
Commercial Paper Programme	NIL
Tier II Bonds	NIL

xvi **Related party transactions**
Related party transactions are disclosed in Note No. 27.

xvii **Remuneration of Directors**
There is no remuneration paid to directors. Refer in Note No. 27.

xviii **Management**
Management discussion and analysis report shall form part of Board of Directors Report.

xix During the year, no transaction was accounted which was related to prior period (Refer Note 1).

xx During the year, no item of revenue recognition has been postponed except as disclosed in accounting policy for revenue recognition (Refer Note 1).

xxi The Company does not have any parent company or subsidiary, hence provision of AS 21 is not applicable on the Company.

xxii The Company has not reported any frauds during the year and in the previous year, based on management reporting to the RBI through prescribed returns.

GBA & Associates LLP * Chartered Accountants * Delhi

Exclusive Leasing and Finance Private Limited *

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

xxiii Asset liability management:
Maturity pattern of certain items of assets and liabilities as on March 31, 2022

Description	Upto 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years	Total
Liabilities:								
Equity Shares							1,075	1,074.66
Borrowings	89.84	-	-	-	-	601.00	-	690.84
Non-Convertible debentures	-	-	-	-	500.00	600.00	550.00	1,650.00
Trade Payables	4.46	-	-	-	-	-	-	4.46
Other Current Liabilities	72.72	-	-	11.16	-	-	-	83.88
Total	167.02	-	-	11.16	500.00	1,201.00	1,624.66	3,503.84
Assets:								
Advances#	0.34	2.63	0.13	57.47	256.76	2,101.06	684.57	3,102.96
FDRs	-	-	-	-	-	205.45	-	205.45
Fixed Assets	-	-	-	-	-	-	67.43	67.43
Investments in Equity Shares	-	-	-	-	-	-	77.00	77.00
Other Non-Current Assets	0.19	-	-	-	-	-	5.25	5.45
Other Current Assets	31.47	-	-	-	-	-	-	31.47
Cash & Bank Balances	81.17	-	-	-	-	-	-	81.17
Total	113.18	2.63	0.13	57.47	256.76	2,306.51	834.25	3,570.93

Advance amount shown above is amount of loans and advances net of FLDG
* The Company does not have foreign currency assets.

(All amounts are in INR Lakhs, unless otherwise stated)

33 Disclosures required for NBFC as per Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

xxiv Provisions and Contingencies

Particulars	As at March 31, 2021	Provision made during the Year	Provision Reversed /Adjusted during	As at March 31, 2022
Provision for Standard Assets	6.91	0.65	-	7.56
Provision for Covid-19	27.65	-	-	27.65
Provisions for Gratuity	-	1.07	-	1.07
Provision towards NPA	-	23.35	-	23.35
Provisions for Leave Encashment	-	0.25	-	0.25

xxv Concentration of Deposits, Advances, Exposures and NPAs

a. Concentration of public deposits - The Company is a non-deposit NBFC. Hence, there are no public deposits.

b. Concentration of NPAs

Particulars	Provision Reversed /Adjusted during the Year	As at March 31, 2022
Total NPA accounts to Total exposure	2.51%	-

c. Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	Provision Reversed /Adjusted during the Year	As at March 31, 2022
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	6.64%	-
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

d. Movement of NPAs

Particulars	Provision Reversed /Adjusted during the Year	As at March 31, 2022
(I) Net NPAs to Net Advances (%)	-	-
(II) Movement of NPAs (Gross)		
a) Opening balance	-	-
b) Additions during the year	87.83	-
c) Reductions during the year	10.00	-
d) Closing balance	77.83	-
(III) Movement of NPAs (Net)		
a) Opening balance	-	-
b) Additions during the year	36.83	-
c) Reductions during the year	10.00	-
d) Closing balance	26.83	-
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	27.65	-
b) Additions during the year	23.35	-
c) Reductions during the year	-	-
d) Closing balance	51.00	-

xxvi Overseas Assets

The Company does not have overseas assets during March 31, 2022 and March 31, 2021.

xxvii The Company do not have any Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms) as at March 31, 2022 and March 31, 2021.

xxviii Disclosure of customer complaints

Particulars	As at March 31, 2022	As at March 31, 2021
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	-	-
c) No. of complaints redressed during the year	-	-
d) No. of complaints pending at the end of the year	-	-

xxix Disclosure of restructured accounts

The Company does not have any restructured accounts under CDR Mechanism or others as at March 31, 2022 and March 31, 2021.

GSA & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * DELHI

Exclusive Leasing and Finance Private Limited *

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in INR Lakhs, unless otherwise stated)

33 Disclosures required for NBFC as per Master Direction - Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

xxx Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company

		Particulars		
		Liabilities side:		
(1)		Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
	(a)	Debentures : Secured (including infrabond)	1,650.00	-
		: Unsecured	-	
		(other than falling within the meaning of public deposits)		
	(b)	Deferred Credits		
	(c)	Term Loans	-	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial Paper	-	-
	(f)	Public Deposits	-	-
	(g)	Other Loans	-	-
		(i) Financial institutions	-	-
		(ii) Directors & their Relatives	601.00	-
(2)		Breakup of (1)(f) above (Outstanding Public Deposit inclusive of interest accrued thereon but not paid):		
	(a)	In the form of unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c)	Other Public Deposits	-	-

	Assets side:	Amount outstanding
(3)	Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]:	
	(a) Secured	2,719.24
	(b) Unsecured	383.67
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**	
	(i) Lease assets including lease rentals under sundry debtors:	
	(a) Financial lease	-
	(b) Operating lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	-
	(b) Repossessed Assets	-
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-
(5)	**Break-up of Investments:**	
	Current Investments:	
	1. Quoted:	
	(i) Shares: (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. Unquoted:	
	(i) Shares: (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	

GSA & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * DELHI

Exclusive Leasing and Finance Private Limited *

Exclusive Leasing and Finance Private Limited (Formerly known as Exclusive Leasing and Finance Limited)
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(All amounts are in INR Lakhs, unless otherwise stated)

	Assets side:	Amount outstanding
	Long Term investments:	
	1. Quoted:	
	(i) Shares: (a) Equity	
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. Unquoted:	
	(i) Shares: (a) Equity (net of provisions)	77.00
	(b) Preference	-
	(ii) Debentures and Bonds (net of provisions)	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (Security Receipts) (net of accumulated decrease in fair value)	-
	Total	77.00

(6)	Borrower group-wise classification of assets financed as in (3) and (4) above:			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group (Refer Note 39)		-	-
	(c) Other related parties	-	-	-
	2. Other than related parties	2,719.24	383.67	3,102.91
	Total	2,719.24	383.67	3,102.91

(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
	Category	Market Value (Break up or fair value or NAV	Book value (net of provisions)
	1. Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2. Other than related parties	-	77.00
	Total	-	77.00

(8)	Other information	
	Particulars	Amount
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	77.83
	(ii) Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	26.83
	(iii) Assets acquired in satisfaction of debt	-

Exclusive Leasing and Finance Private Limited ★

GSA & Associates LLP ★ Chartered Accountants ★ Delhi

(All amounts are in INR Lakhs, unless otherwise stated)

34 Disclosures required for NBFC as per RBI circular RBI/2016-17/122 DBR.No.BP.PC.34/21.04.132/2016-17 dated November 10, 2016

i. Disclosures on flexible structuring of existing loans

Period	No. of borrowers taken up for flexible structuring	Amount of loans taken up for flexible		Exposure weighted average duration of	
		Classified as Standard	Classified as NPA	Before applying flexible structuring	After applying flexible structuring
FY 2019-20	-	-	-	-	-
FY 2020-21	-	-	-	-	-
FY 2021-22	-	-	-	-	-

ii Disclosures on flexible structuring of existing loans

No. of accounts where SDR has been invoked	Amount outstanding as on reporting date		Amount outstanding as on report date		Amount outstanding as on report date	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY 2019-20	-	-	-	-	-	-
FY 2020-21	-	-	-	-	-	-
FY 2021-22	-	-	-	-	-	-

iii Disclosures on Change in ownership Outside Strategic Debt Restructuring Scheme (accounts which are currently under standstill period)

No. of accounts where banks have decided to effect change in ownership	Amount outstanding as on the reporting		Amount outstanding as on reporting date		Amount outstanding as on reporting date		Amount outstanding as on reporting date	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY 2019-20	-	-	-	-	-	-	-	-
FY 2020-21	-	-	-	-	-	-	-	-
FY 2021-22	-	-	-	-	-	-	-	-

Exclusive Leasing and Finance Private Limited

GSA & Associates LLP * Chartered Accountants * Delhi

35 The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day 1.0 lockdown across the country to contain the spread of the virus, which was further extended till May 3, 2020, May 17, 2020 and May 31, 2020. This pandemic and response thereon are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

Pursuant to Reserve Bank of India (RBI) Circulars dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 - Regulatory Package', Company granted moratorium of three months on payments of all instalments falling due between March 1, 2020 and May 31, 2020 to all willing borrowers. For all such accounts where the moratorium is granted, the days past due status as at March 31, 2020 is based on the days past due status as on February 29, 2020. The Company continues to recognize interest income during the moratorium period.

In wake of continued disruption and extension of lockdown, RBI vide its circular dated May 23, 2020, permitted to extend the moratorium period by another three months, from June 1, 2020 to August 31, 2020 on payment of all instalments. The Company has passed on the benefit to its borrowers to ease out the financial burden. But due to partial lifting of the lockdown from around third week of May, 2020 onwards, many of the Company's borrowers have resumed their income activities and are opting out of the moratorium scheme.

Also, the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2022 and accordingly decided not to reverse the provision of Rs. 2,764,750 towards loan assets, made last year.

36 Asset classification and provisioning disclosure
Disclosure as per the circular no. DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 issued by Reserve Bank of India on "COVID 19 regulatory package - Asset Classification and provisioning"

For the year ended March 31, 2022

Particulars	Amount
a) Amounts in SMA/overdue categories where moratorium/deferment was extended	-
b) Respective amount where asset classification benefit is extended	-
c) Provisions made during quarter in terms of paragraph 5 of the above circular	-
d) Provisions adjusted against the respective accounting periods for slippages and residual provisions in terms of paragraph 6 of the above circular	-

37 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules there under are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

38 Previous year's figures have been regrouped/ reclassified, where necessary to conform to current year classification.

39

S.No.	Particulars	Numerator	Denominator	UOM	Current Period	Previous Period	% change	Reason if variance > 25%
1	Current Ratio	Total Current Assets	Total Current Liability	in times	2.85	10.47	-72.78%	Due to Current Maturity of Long term borrowings amounting to Rs 550 Lakhs in FY 21-22
2	Debt-Equity Ratio	Total Debt (Non-current borrowings + Current Borrowings + Total Lease Liability)	Total equity	in times	2.18	1.77	-23.28%	NA
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments - Non operating income	Debt service = Interest and lease payments + Principal repayments	in times	0.86	0.64	33.81%	Increase in Operating Profit
4	Return on Equity Ratio	Profit for the year less Preference dividend (if any)	Average total equity	in %	4.79%	0.51%	840.52%	Increase in loans led to better revenue from operations
5	Inventory turnover ratio	Revenue from operations	Average inventory	in times	NA	NA	NA	NA
6	Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	in times	NA	NA	NA	NA
7	Trade payables turnover ratio	Purchase of Raw Materials , Packing Materials and Stores and spares	Average trade payables	in times	NA	NA	NA	NA
8	Net capital turnover ratio	Revenue from operations	Average Working Capital Current Assets - Current Liabilitues	in times	0.34	0.20	69.44%	Increase in loans led to better revenue from operations
9	Net profit ratio	Net Profit (After Tax)	Revenue from operations	in %	10.78%	1.65%	554.22%	Revenue increase due to increase in Loans & majority of expense being fixed in nature
10	Return on Capital employed	Profit before tax and finance costs	Capital Employed Net Worth + Total Debt + Deferred Tax Liabilities	in %	9.35%	4.57%	104.74%	Revenue increase due to increase in Loans & majority of expense being fixed in nature
11	Return on investment							
	- Equity investment in subsidiaries / associates and joint ventures	Income generated from investments	Average value of investments	in %	NA	NA	NA	NA
	- Unquoted equity instruments	Income generated from investments	Average fair market value of investments	in %	0.78%	0.00%	NA	NA
	- Unquoted	Income generated from	Average fair market	in %	NA	NA	NA	NA

Exclusive Leasing and Finance Private Limited

GSA & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * DELHI

40 Total Loan Portfolio as on 31st of March, 2022

Particulars	Outstanding	Collateral	Outstanding
Loans against Hypothecation	2,224.06	227.91	1,996.16
Loans against Pledge of Gold	89.20	-	89.20
Loans against Property	669.62	35.69	633.93
Unsecured MSME Loans	377.58	-	377.58
Interest Bearing Trade Advance to Dealers	6.29	-	6.29
	[illegible]	[illegible]	[illegible]

41 Additional Regulatory Information

(a) The company does not have any subsidiary/ associate / joint venture. Hence, the compliance related to the number of layers prescribed under clause (87) of section 2 of the Act
(b) The Company has not applied for any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
(c) The Company has not traded or invested in crypto currency or virtual currency during the year.

42 Utilisation of borrowed funds and share premium

The company has not given any loan or invested funds to any persons, entities intermediaries with the understanding that intermediary shall :
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company.
b) provide any guarantee, security or the like to or on behalf of the Company.

The Company has not received any fund from any person, entities (Funding Party) with the understanding that the Company shall:
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party.
b) provide any guarantee, security or the like on behalf of the Funding Party.

For DRA & Associates LLP
FRN-000257N/N500339
Chartered Accountants

Tanuj Chug
Partner
Membership Number: 529619

Place: New Delhi
Date: 28-06-2022

For and on behalf of the Board of Directors of

Exclusive Leasing and Finance Private Limited (Formerly known as
CIN: U65921DL1984PTC018746

Monica Mittal
Director
DIN: [illegible]
Place: Jalandhar
Date: 28-06-2022

Kumar Uttam
Director
DIN: [illegible]
Place: Jalandhar
Date: 28-06-2022

Aman Jairath
Company Secretary
PAN: [illegible]
Place: Jalandhar
Date: 28-06-2022

Rajesh Katoch
Additional Director
DIN: [illegible]
Place: Jalandhar
Date: 28-06-2022

For Exclusive Leasing and Finance Private Limited
Director/Auth. Signatory