NOTICE

Notice is hereby given that the **Thirteenth** Annual General Meeting of the Members of **Ananya Finance for Inclusive Growth Private Limited** will be held on 12th of August 2022 at 4 pm to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended March 31, 2022 and the Balance Sheet as at March 31, 2022 together with the Reports of the Directors and the Statutory Auditors' thereon.

2. Appointment of Statutory Auditors of the Company:

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

   "RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force, M/s. Manubhai & Shah, LLP, Chartered Accountants, Ahmedabad (Firm Registration No. 106041W/W100136), be and are hereby, appointed as the Statutory Auditors of the Company, to hold the office for a term of five (5) consecutive years from the conclusion of this 13th Annual General Meeting till the conclusion of 18th Annual General Meeting of the Company to be held in the year 2027, at such remuneration plus GST as may be mutually agreed between the Company and the said auditors.

SPECIAL BUSINESS:

3. Regularization of Appointment of Mrs. Anjali Nirav Choksi:

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

   "RESOLVED THAT pursuant to provision of Section 161 of the Companies Act, 2013, Mrs. Anjali Nirav Choksi who was appointed as an Additional Director (Non-Executive & Independent) with effect from 18th May 2022 on the Board of the Company, be and is hereby appointed as the Director of the Company for a period of 5 years from the date of her appointment in the Board."

   "RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to file necessary forms, if required, with the Registrar of Companies, Ahmedabad in this regard."

By Order of the Board of Directors

Date: 18th May 2022

Place: Ahmedabad

Mr. Gaurav Gupta
Managing Director
(DIN: 08663203)

Ms. Tara Nair
Director
(DIN: 03564073)

Ananya Finance for Inclusive Growth Pvt. Ltd. Ahmedabad

NOTES:

1. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Accordingly, proxy form and attendance slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate thereat and cast their votes through e-voting.

2. Since the AGM will be held through VC/OAVM, the route map for the venue is not annexed.

3. An explanatory statement pursuant to Section 102 of the Act, relating to special business to be transacted at the AGM, is annexed hereto

4. The Shareholders are requested to notify the change, if any, in their registered address to the Company immediately.

Ananya Finance for Inclusive Growth Pvt. Ltd. ★ Ahmedabad

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the special business mentioned at the accompanying notice of the meeting of the shareholders of Ananya Finance for Inclusive Growth Private Limited ("Company") to be held on 12th August 2022.

2. Appointment of Statutory Auditors of the Company:

M/s. Deloitte Haskins & Sells, Chartered Accountants, had expressed their unwillingness to continue as Statutory Auditors of the Company for the year 2021-22 due to regulatory changes announced by Reserve Bank of India for the remaining period of 4 years i.e., from 2021-22 till 2024-25. Consequently, the company had appointed Manubhai & Shah, LLP, Chartered Accountant, Ahmedabad (Firm Registration No. 106041W/W100136) at the EGM held on 03rd August, 2021 to hold office of Statutory Auditors of the Company up to Thirteenth Annual General Meeting.

The Company has obtained a written Certificate from Manubhai & Shah, LLP, Chartered Accountant, Ahmedabad (Firm Registration No. 106041W/W100136) to the effect that their appointment as Auditors of the Company for the Financial Years 2022-23 to 2026-27 (i.e. for a period of 5 years as per section 139(1) of Companies Act, 2013) and to hold the office for a term of five (5) consecutive years from the conclusion of this 13th Annual General Meeting till the conclusion of 18th Annual General Meeting of the Company to be held in the year 2027, if made, will be in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Manubhai & Shah, LLP, Chartered Accountant, Ahmedabad as Statutory Auditors, for the approval of the Shareholders of the Company.

None of the Directors of the Company or Key managerial personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out in item No. 2 of the Notice for approval by the Shareholders.

3. Regularization of Appointment of Mrs. Anjali Nirav Choksi:

Mrs. Anjali Nirav Choksi, who has been appointed as an Additional Director (Non-Executive & Independent) of the Company pursuant to Section 149, 150, 152 and 161 and other relevant provisions of the Companies Act, 2013 and rules made thereunder (Including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), clause 9.1 of Articles of Associations of the Company, approval of the Board, with effect from 18th May, 2022, holding office upto the date of Annual General Meeting and is eligible for appointment as an Independent Director.

Mrs. Anjali Nirav Choksi is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Accordingly, the Board recommends the resolution in relation to regularization of appointment of Mrs. Anjali Nirav Choksi as an Independent Director, for the approval of the Shareholders of the Company.

None of the Directors of the Company or Key managerial personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out in item No. 3 of the Notice for approval by the Shareholders.

Ananya Finance for Inclusive Growth Pvt. Ltd. ★ Ahmedabad

Addendum to the Notice of Thirteenth Annual General Meeting of the Members of Ananya Finance for Inclusive Growth Private Limited Scheduled to be held on Friday, 12th Of August 2022 at 4 pm At 903, 9th Floor, Sakar-9, B/S Old RBI, Ashram Road, Ahmedabad – 380009 to transact the following business:

SPECIAL BUSINESS:

4. <u>Approval of Budget for a period of 5 years:</u>

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

"**RESOLVED THAT** pursuant to the recommendation of Board of Directors and enabling provisions in the Articles of Association of the Company, the consent of the Shareholders be and is hereby accorded to the Budget of the Company for a period of 5 years for the financial year from April 2022 till March 2027.

RESOLVED FURTHER THAT Mr. Gaurav Gupta, Managing Director of the Company be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things, as may be necessary, proper or expedient or desirable in connection with or incidental to giving effect to this resolution."

5. <u>Appointment of Ms. Namrata Chindarkar as Independent Director:</u>

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

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualifications of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), and the recommendation of the Board Members, the consent of the shareholders be and is hereby accorded, to appoint Ms. Namrata Chindarkar who was appointed as an Additional Director (Non-Executive & Independent) by the Board of the Company in their meeting held on to 12th August 2022 , and who has submitted a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 be and is hereby appointed as Independent Non-Executive Director of the Company to hold office for a term of up to 5 consecutive years from the date of her appointment in the Board."

"**RESOLVED FURTHER THAT** Mr. Gaurav Gupta, Managing Director of the Company be and is hereby authorized to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution".

By Order of the Board of Directors,
For Ananya Finance for Inclusive Growth Private Limited,

Date: 12TH August 2022
Place: Ahmedabad

Mr. Gaurav Gupta
Managing Director
(DIN: 08663203)

Mr. Taejun Shin
Director
(DIN: 08056236)

Ananya Finance for Inclusive Growth Pvt. Ltd. Ahmedabad

NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote on a Poll instead of Himself Herself and the Proxy need not be a Member of the Company.

2. The Proxy Form duly completed must reach the Registered Office not later than 48 hours before the commencement of the Meeting.

3. A Body Corporate being a Member shall be deemed to be personally present at the Meeting if Represented in accordance with the provisions of Section 113 of the Companies Act, 2013. The Representative so appointed, shall have the right to appoint a Proxy.

4. An Explanatory Statement with respect to the Special Business to be transacted at the Meeting, as required under Section 102(1) Of the Companies Act, 2013, is annexed hereto.

5. The Shareholders are requested to notify the change, if any, in their registered address to the Company immediately.

Ananya Finance for Inclusive Growth Pvt. Ltd. Ahmedabad

Ananya Finance For Inclusive Growth Private Limited
903, 9th Floor, Sakar-IX, B/s.Old RBI, Ashram Road, Ahmedabad - 380 009.
Ph.: +91 79 40403030, Email : admin@ananyafinance.com
CIN : U65993GJ2009PTC056691 • GSTIN No. : 24AAHCA8023D1Z4

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the special business mentioned at the accompanying notice of the meeting of the shareholders of Ananya Finance for Inclusive Growth Private Limited ("Company') to be held on 12th August 2022.

4. Approval of Budget for a period of 5 years:

Pursuant to the provisions of Article 22 of the Articles of Association of the Company, decisions relating to certain business/operational matters ("Affirmative Vote Items") is required to be approved by way of prior written consent of the Shareholders' of the Company at their general meeting.

Since adoption of Budget of the Company for the financial year from April 2022 till March 2027, falls within the ambit of Affirmative Vote Items (Clause 22.3.16), the same needs to be approved by the Shareholders' of the Company.

A copy of the Articles of Association of the Company, draft Business Plan for the financial year from April 2022 till March 2027 shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours.

The resolution as set out in Item no. 4 of this addendum to the Notice of AGM are accordingly recommended for your approval. None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

5 Appointment of Ms. Namrata Chindarkar as Independent Director:

Ms. Namrata Chindarkar was appointed as an Additional Director in the capacity of Non-Executive Independent Director with effect from 12th August 2022 by the Board of Directors in accordance with the Articles of Association of the Company and Section 149, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualifications of Directors) Rules, 2014.

Ms. Namrata Chindarkar has consented to the proposed appointment and declared qualified. Ms. Namrata Chindarkar possesses requisite knowledge, experience and skill for the position of Independent Director as per required criteria under the Act and rules and regulations made thereunder.

Based on the recommendation of the Board Members and in view of her knowledge, skill and expertise related to the industry of the company, it is proposed to appoint Ms. Namrata Chindarkar as an Independent Non-Executive Director of the company in terms of section 149 read with section 152 of the Companies Act,2013. Ms. Namrata Chindarkar if appointed will hold office for a consecutive term of 5 years commencing from the date of her appointment in the Board.

The resolution as set out in Item no. 5 of this addendum to the Notice of AGM are accordingly recommended for your approval. None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

By the order of Board of Directors,
For Ananya Finance for Inclusive Growth Private Limited,

For Inclusive Growth Pvt. Ltd. Ananya Finance Ahmedabad

Date: 12th August 2022
Place: Ahmedabad

Mr. Gaurav Gupta
Managing Director
(DIN: 08663203)

Mr. Taejun Shin
Director
(DIN: 08056236)

ANANYA FINANCE FOR INCLUSIVE GROWTH PVT. LTD

DIRECTORS REPORT TO THE MEMBERS FOR THE YEAR ENDED 31ST MARCH, 2022

To,

The Members,

Your Directors present the Thirteenth Annual Report on the Business and Operations of the Company together with Audited Statement of Accounts and Auditors Report thereon for the Financial Year ended 31st March, 2022.

1. Financial Results summary

Particulars	Rs. (In Lakh) For the year ended 31st March 2022	Rs. (In Lakh) For the year ended 31st March 2021
Income from Operation	3,966.38	3,668.13
Other income	42.37	71.01
Profit (Loss) before Depreciation & Tax	272.37	(1,111.33)
Less: Depreciation	41.40	35.17
Profit (Loss) before Tax	230.97	(1,146.51)
Less: MAT / Current Tax	-	42.62
Less: Deferred Tax (expense)/benefit	127.37	(2.59)
Profit (Loss) after Tax	103.60	(1,186.54)

2. Dividend

Your Directors do not recommend dividend for the year.

3. Reserves

Your Directors have transferred Rs.20.72 lakh to the Statutory Reserves as per the Reserve Bank of India Act, 1934.

4. Review of business and operations and State of affairs of your company and outlook

During the year under review, the total income of your company stands at Rs. 4,008.75 lakhs. The Profit before tax and exceptional items stood at Rs.230.97 lakh. The Profit after tax stood at Rs.103.60 lakh.

Our Loan assets under management (AUM) stood at Rs. 31,663.03 lakhs.

The consolidated GNPAs and NNPAs, recognized as per RBI's prudential norms and provisioned as per Expected Credit Loss (ECL) method prescribed in Ind AS, stood at 1.96% and 0.43% respectively. Provision coverage (incl. standard assets provision), under Ind AS norms, on stage 3 assets for the year was 78%. The overall ECL provision made stands at 2.26% of the EAD.

Despite the challenging environment for the industry, your company managed its liquidity well with adequate margin of safety. The company had a positive ALM throughout the year, whereby inflows exceeded expected outflows across all buckets.

- **Acquisition of Prayas Financial Services Pvt. Ltd.**

Your company is looking at acquiring a majority stake in Prayas Financial Services Pvt. Ltd. (Prayas), a NBFC-MFI. Prayas had submitted an application for Change of Control to the regulator Reserve Bank of India and the regulator has provided its approval on 06-May-2022. Your company will complete the investment transactions that will make Prayas a subsidiary.

Ananya Finance for Inclusive Growth Pvt. Ltd. Ahmedabad

- **Employee Stock Option Plan:**

Board members, with a view to motivate and reward the key work force seeking their contribution to the corporate growth and profitability, to create an employee ownership culture, to attract, retain, incentivize, and motivate its eligible employees for ensuring sustained growth, has implemented Equity based compensation plans named ***"Ananya Finance Employee Stock Option Plan 2021" ("ESOP 2021"/ "Plan").***

Pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules,2014, the Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary, pursuant to the recommendation of the Nomination and Remuneration Committee ("Committee"), the Board of Directors in its meeting held on 11th November 2021, has approved ***"Ananya Finance Employee Stock Option Plan 2021" ("ESOP 2021"/ "Plan")*** to create, offer, and grant upto, not exceeding 99,04,380 (Ninety Nine Lakhs Four Thousand Three Hundred Eighty Only) options (One option upon exercise is one equity share) of face value of Rs 10/- (Rupees Ten) each fully paid-up, in one or more tranches, from time to time, to be allotted to the option grantees by the Company which was approved by the shareholders vide resolution passed in the General Meeting.

Disclosures as required under section 62 of the Companies Act, 2013 (to be read with rule 12 of the Companies (Share Capital and Debenture) Rule 2014:

Sr. No	Particulars	Details
1.	Number of options granted during the year	56,41,774
2.	Number of options vested during the year	NIL
3.	Number of options exercised during the year	NIL
4.	Total number of shares arising as a result of exercise of option	NIL
5.	Number of options lapsed during the year	NIL
6.	The exercise price of the options	20.38/-
7.	Variation of terms of options	No variation
8.	Money realized during the year by exercise of option	NIL
9.	Number of options in force at the end of the year	56,41,774

10. Options granted to the Key Managerial Personnel during the year:

Employee Name	Designation	Option granted	Exercise Price (in Rs)
Mr. Gaurav Gupta	Managing Director	12,71,990	20.38/-
Mr. Pranav Desai	Chief Financial Officer	12,71,990	20.38/-
Ms. Lavina Parikh	Company Secretary	26,043	20.38/-

11. Any other employee who receive a grant of options in any one year of option amounting to five percent or more of options granted during the year: None

12.Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant:

Employee Name	Designation	Option granted	Exercise Price (in Rs)
Mr. Gaurav Gupta	Managing Director	12,71,990	20.38/-
Mr. Pranav Desai	Chief Financial Officer	12,71,990	20.38/-
Mr. Abhisek Khanna	Head – Retail Business	12,71,990	20.38/-
Mr. Ramesh Muthuswami	Head – Credit & Risk	12,71,990	20.38/-

Ananya Finance for Inclusive Growth Pvt. Ltd. ★ Ahmedabad

5. CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business of the Company during the year under review. Your company continues to operate in the space of financial inclusion by extending loans to women micro-borrowers who form the bottom of the economic pyramid, to micro & small enterprises and to SMEs in the Agriculture & Climate change reversal sectors.

6. CHANGES IN CAPITAL STRUCTURE:

There has been no change in the Capital Structure of the Company during the Financial Year 2021-22.

The Authorised Share Capital of the Company as on 31st March, 2022 is Rs. 200,00,00,000/- (Rupees Two Hundred Crores Only) divided into **(1)** 14,50,00,000 (Fourteen Crore Fifty Lakh) Equity Shares of Rs 10/- (Rupees Ten Only) each [Comprised of 13,50,00,000 (Thirteen Crore Fifty Lakh) Equity Shares of Category "A" of Rs 10/- (Rupees Ten Only) each and 1,00,00,000 (One Crore) Equity Shares of Category "B" of Rs 10/- (Rupees Ten Only) each] AND **(2)** 5,50,00,000 (Five Crore Fifty Lakh) Preference Shares of Rs 10/- (Rupees Ten Only) each.

As on 31st March, 2022, the Company has neither issued shares with differential voting rights nor sweat equity shares and none of the Directors of the Company hold any convertible instruments.

7. DISCLOSURE U/S 164(2) OF THE COMPANIES ACT, 2013

The Company has received the disclosure in Form DIR-8 from its Directors being appointed or reappointed and has noted that none of the Directors are disqualified under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

8. Extract of Annual Return

Pursuant to substitution made in Section 92(3) of the Companies Act, 2013 vide the Companies (Amendment) Act, 2017; the requirement of including an extract of the annual return in the Board's report has been omitted.

The Annual Return as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company and can be accessed at www.ananyafinance.com.

9. Details of Directors or Key managerial personnel appointed/resigned during the year

During the year, Mr. Brijmohan, Chairman & Independent Director and Ms. Jayshree Vyas, Non-Executive Director of the Company, has resigned w.e.f. 20th July 2021 and 29th March 2022 respectively.

10. Declaration from Independent Director(s).

The Company has received requisite declaration of Independence from Mr. Navin Kumar Maini andMs. Tara Nair required pursuant to section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as provided in section 149(6) of the Act. At the first meeting of Board held for financial year 2022-23, the Board of Directors of the Company has taken on record the said declarations and confirmation as submitted by the Independent Directors after undertaking due assessment of the veracity of the same. In the opinion of the Board, they fulfill the conditions as specified in the Act and the rules made thereunder for appointment as ID and confirm that they are independent of the management.

Ananya Finance for Inclusive Growth Pvt. Ltd. * Ahmedabad

11. *Details of Subsidiaries Companies, Joint Venture or Associate Company & LLP/Partnership

Sr, No.	Name of Company	Nature of Relationship	No. of Share hold/Capital Contribution
	NIL	NIL	NIL

*None of the companies have become or ceased to be its subsidiaries, Joint Venture or associate companies &LLP/Partnership during the year, hence no such information is provided.

12. Number of Board Meetings

During the Financial Year 2021-22, meetings of the Board of Directors of the company were held on the following dates:

Sr. No.	Date of Board Meeting	No. of Director Present in the Meeting
1.	25th May 2021	All the Directors were present in the meeting.
2.	20th July 2021	All the Directors were present in the meeting.
3.	03rd August 2021	All the Directors were present in the meeting.
4.	11th November 2021	All the Directors were present in the meeting.
6.	31st January 2022	All the Directors were present in the Meeting.
7.	29th March 2022	All the Directors were present in the Meeting.

13. Particulars of Loan, Guarantees and Investments under Section 186

During the year under review, your Company has disbursed loans totaling to Rs.14479 lakh to 22 SMEs and institutions and Rs.25347 lakh to retail micro-borrowers as part of its normal course of business. In addition, the company did one pool purchase totaling to Rs.60.97 lakh lakh through Direct Assignment from one existing MFI borrower as part of its delinquency management and overdue loan recovery efforts. Your Directors draw attention of the members to Note no.43 to the audited financial statements which sets out the break-up of the loan portfolio disclosures.

The investment made in other securities has been as part of the normal course of business and has been within the limits prescribed under Section 186 of the Companies Act, 2013.

14. Particulars of Contracts or Arrangements with Related Parties:

During the year ended 31st March 2022, all the transactions with related parties were carried out on an arm's length basis. The disclosures of transactions with the related party for the financial year, as per Accounting Standard – 18 Related Party Disclosure is given in Note no.37 to the Balance Sheet as on 31st March 2022.

15. Auditor's Report:

Secretarial Audit and Secretarial Auditor's Report

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed **Kashyap R. Mehta & Associates, Company Secretaries** to undertake the Secretarial Audit of the Company. The Secretarial Audit report in the prescribed Form No MR-3 is annexed herewith. The explanations by the Board in the form of action taken on the points suggested by the Secretarial Auditor is also attached as separate annexure.

Ananya Finance for Inclusive Growth Pvt. Ltd. ★ Ahmedabad

Statutory Auditors

M/s. Deloitte Haskins & Sells, Chartered Accountants, had expressed their unwillingness to continue as Statutory Auditors of the Company for the year 2021-22 due to regulatory changes announced by Reserve Bank of India for the remaining period of 4 years i.e., from 2021-22 till 2024-25. Consequently, the company had appointed Manubhai & Shah, LLP, Chartered Accountant, Ahmedabad (Firm Registration No. 106041W/W100136) at the EGM held on 03rd August, 2021 to hold office of Statutory Auditors of the Company up to Thirteenth Annual General Meeting.

The Company has obtained a written Certificate from Manubhai & Shah, LLP, Chartered Accountant, Ahmedabad (Firm Registration No. 106041W/W100136) to the effect that their appointment as Auditors of the Company for the Financial Years 2022-23 to 2026-27 (i.e. for a period of 5 years as per section 139(1) of Companies Act, 2013) and to hold the office for a term of five (5) consecutive years from the conclusion of this 13th Annual General Meeting till the conclusion of 18th Annual General Meeting of the Company to be held in the year 2027, if made, will be in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013.

The Audit Report for the Financial Year ended 31st March 2022 does not contain any qualification, reservation or adverse remark and forms part of this report.

Internal Auditors

As per Section 138 of the Companies Act, 2013 read with Rule-13 of Companies (Accounts) Rules, 2014, and based on recommendation of the audit committee, the Board of Directors of the company has appointed **M/s. Alpesh Shah and Co.** for the Financial Year 2021-22 to support the Internal Audit function of the Company.

Cost Auditors

The Company does not fall within the purview of Section 148 of the Companies Act, 2013 and hence the Company was not required to appoint Cost Auditor for the year under review.

16. Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo

Your Company is taking all possible steps to conserve energy and reduce the cost of operations by implementing the Environmental Policy.

Your company has entered into a Service Provider Agreement with Twinline Business Solutions Pvt. Ltd. to use their Loan Management System under a SaaS model. Your company also introduced a HR software system. The investments in technology will help the company strengthen its internal controls and improve its product and service offering.

During the year under review, the foreign exchange outflow was equivalent to Rs.2.41 lakh.

17. DISCLOSURE OF ACCOUNTING TREATMENT:

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

18. RISK MANAGEMENT POLICY:

Your company has a well-defined risk management framework to identify, assess and monitor risks and strengthen controls to mitigate risks. The company has established procedures to periodically place before the Risk Management Committee and Board of Directors, the risk assessment and minimization procedures being followed by the company and steps taken by it to lower these risks. The Risk Management processes have been established across the company and are continuously reviewed improved and adapted to the changing risk landscape.

Ananya Finance for Inclusive Growth Pvt. Ltd. Ahmedabad

The company's Risk Management practices are guided by its internal credit and exposure policies and standard operating procedures that have been designed to be commensurate with its business of lending in the Microfinance, Agrifinance and MSME segments, and endeavors to manage the various risks in the business including Credit risk, Liquidity risk, Market risk, Operational risk and Strategic risks. Your Directors draw attention of the members to Note no.40 to the audited financial statements which sets out the Financial Risk Management disclosures.

The Board of Directors have constituted a Risk Management Committee that reviews the risk management framework of the company on a half yearly basis. The committee comprises the following Directors:

1. Prof. Dr. Sidharth Sinha
2. Mr. Sanjay Gandhi
3. Mr. Arvind Agarwal
4. Ms. Jayshree Vyas*

* Ms. Jayshree Vyas, Non-Executive Director of the Company, has resigned w.e.f. 29th March 2022

19. Details of Directors:

SR. NO.	NAME OF DIRECTOR	DIN	DESIGNATION	DATE OF APPOINTMENT	RESIDENTIAL ADDRESS
1	*Mr. Brij Mohan	00667210	Independent Director	09/05/2009	C-4c-085 Carlton-Iv, Phase-V, Gurgaon, 122001, Haryana, India.
2.	*Ms. Jayshree Vyas	00584392	Director	22/04/2009	1, Sun view Apartment, Opp. Purnanand Ashram Ishwarbhuvan, Ahmedabad, 380014, Gujarat, India.
3.	Prof. Dr. Sidharth Sinha	01831966	Nominee Director	07/12/2012	C 191 DLF Park Place, Gurugram – 122009.
4.	Mr. Arvind Kumar Agarwal	07405470	Nominee Director	19/02/2016	Flat A1 1101 Elite Prominade Rai Layout, JP Nagar 7th Phase Bangalore 560078 KA IN.
5.	Mr. Sanjay Gandhi	02234298	Nominee Director	27/02/2018	2/7, Hamelia Street, Vatika City, Sector 49, Gurgaon, 122018, Haryana.
6.	Mr. Taejun Shin	08056236	Nominee Director	31/07/2018	5-10-49-1210, Yashio, Shinagawa, Tokyo, Japan-140003.
7.	Mr. Gaurav Gupta	08663203	Managing Director	01/02/2020	D-71, Vishal Residency, Ramdev Nagar Road, Satellite,

Ananya Finance for Inclusive Growth Pvt. Ltd. * Ahmedabad

					Ahmedabad.
8.	Ms. Tara Nair	03564073	Independent Director	18/01/2021	B 33, Century Towers, Bodakdev, Ahmedabad.
9.	Mr. Navin Kumar Maini	00419921	Independent Director	17/01/2021	B-74, Defence Colony, New Delhi.

*Mr. Brijmohan, Chairman & Independent Director and Ms. Jayshree Vyas, Non-Executive Director of the Company, have resigned w.e.f. 20th July 2021 and 29th March 2022 respectively.

20. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

There have been no orders passed by the regulators or courts or tribunals that impact the status of going concern of your company or that hinder the company's operations in future.

21. Deposits (As per the Definition under Section 2(31) of the Companies Act, 2013)

The company does not accept any deposits from Public as prescribed under the RBI rules.
The following details of deposits, covered under Chapter V of the act:

Deposits Accepted during the year	NIL
Remained unpaid or unclaimed as at the end of the year	NIL
Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	NIL
At the beginning of the year Maximum during the year At the end of the year	NIL NIL NIL
The details of deposits which are not in compliance with the requirements of Chapter	NIL

22. Receipt of any commission by MD /WTD from a Company or for receipt of commission /remuneration from it Holding or subsidiary

The MD has not received any commission from the company or from its holding company.

23. Corporate Social Responsibility (CSR) & Social Performance Management (SPM) Committee:

As per Section 135 of Companies Act 2013, your company falls under the purview of CSR and has constituted the Corporate Social Responsibility (CSR) Committee consisting of the following Directors:

1. Ms. Tara Nair
2. *Ms. Jayshree Vyas
3. Mr. Sanjay Gandhi

Ananya Finance for Inclusive Growth Pvt. Ltd. ★ Ahmedabad

Since, there was no CSR liability during the year under review as per section-135 read along with necessary rules made thereunder, the Company was not required to spent CSR amount. Hence, no CSR expenses were made during the year under review.

* Ms. Jayshree Vyas, Non-Executive Director of the Company, has resigned w.e.f. 29th March 2022.
* The Company has, in its Board of Directors meeting dated 31st January 2022, inter alia, changed the name of Corporate Social Responsibility Committee to "Corporate Social Responsibility & Social Performance Management Committee".

24. Audit Committee

As part of the internal controls monitoring process, the Board of Directors have constituted an Audit Committee comprising the Directors listed below. The committee on a half-yearly basis, reviews the Financial Reporting process, the system of internal controls, audit process and compliances with applicable laws and regulations and internal guidelines. The Audit Committee consists of the following Directors:

1. Ms. Tara Nair
2. Mr. Navin Maini
3. Mr. Sanjay Gandhi

25. Nomination & Remuneration Committee

The Company has in place the Nomination and Remuneration Committee consisting of Ms. Tara Nair, Mr. Navin Maini and Mr. Sanjay Gandhi. Also, there is a Compensation Committee (HR Committee) constituted by the Board of Directors which includes Prof. Dr. Sidharth Sinha, *Ms. Jayshree Vyas and Mr. Taejun Shin that reviews the HR performance and adherence to internal policies and guidelines and applicable external guidelines on a bi-annual basis.

* Ms. Jayshree Vyas, Non-Executive Director of the Company, has resigned w.e.f. 29th March 2022.

26. Disclosure on Establishment of a Vigil Mechanism

A Fraud free and corruption free environment has been core to your company's culture. In view of the potential risk of fraud and corruption due to rapid growth, the Company has put an even greater emphasis to address this risk. To meet this objective, a comprehensive Vigil Mechanism and Whistle Blower Policy have been laid down by the Board of Directors which form part of the HR policy of the Company.

27. Managerial remuneration

Sr. No.	Name of Director	Remuneration for F.Y 2021-2022(Amount In Rs.)	Remuneration for F.Y 2020-2021(Amount In Rs.)
1.	Gaurav Gupta -Managing Director	52,80,756	52,80,756

28. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) (SHWS) Act, 2013, your company has a policy for Prevention of Sexual Harassment at the Workplace and the Board of Directors have unanimously adopted the same w.e.f. 17th June, 2016 which was further updated in March'2022. The Company has appointed Ms. Beena Thakar, Manager-Accounts, as Presiding Officer in the Internal Complaints Committee constituted under SHWW Act, 2013. During the year under review, no complaint was reported under the said policy framed as per Act.

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29. Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your Directors confirm that:

a) In the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) 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 as at 31st March, 2022 and of the profit /loss of the Company for that period;

c) 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 fraud and other irregularities.

d) The Directors have prepared the annual accounts on a going concern basis.

e) 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.

f) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

g) During the period under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee/Board any instances of material fraud in the Company by its officers or employees under Section 143 (12) of the Companies Act, 2013.

30. Compliance with Secretarial Standards

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India in carrying out its Board meetings and General Meetings.

31. Compliance with Downstream Investment

The Directors are pleased to inform that, Ananya has made share capital investment in Uttrayan Financial Services Private Limited (hereinafter referred to as Uttrayan), an NBFC- MFI based in Kolkata, on 7th October 2021. The amount of investment is Rs.2,50,00,000 by subscribing to 294,117 common Equity Shares of Uttrayan at a valuation of Rs.85 per share which includes a premium of Rs.75/- share. The investment has given Ananya a stake of 3.90% in Uttrayan. With respect to the downstream investment, Ananya has in place a system ensuring compliance with applicable provisions of Foreign Exchange Management Act, 1999 and rules made thereunder, and an annual certification to this effect from the Statutory Auditor of the Company.

32. Details of the Debenture Trustee:

The details of the Debenture Trustee of the Company are as follows:

IDBI Trusteeship Services Limited

Asian Building, Ground Floor,

17, R. Kamani Marg, Ballard Estate,

Mumbai – 400 001.

T: (91) (22) 40807081

Catalyst Trusteeship Limited

Windsor, 6th Floor, Office No. – 604,

C.S.T Road, Kalina, Santacruz (East),

Mumbai, Maharashtra – 400098

Contact No.: +91 22 4922 0555

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33. Capacity Building Initiatives

Your company completed the three-year capacity building initiative under the World Bank-supported JOHAR project in Jharkhand. As a Technical Advisor, the company supported 19 FPOs, with membership base of 200,000 women, in the areas of governance, accounting, risk management, policies and internal controls, regulatory compliance etc. through trainings, workshops, industry interface and development of reference manuals and other knowledge outputs.

34. Acknowledgement

The Directors express their sincere appreciation to the valued shareholders, bankers, clients and employees for their support.

By Order of the Board of Directors

Date: 18th May 2022
Place: Ahmedabad

Mr. Gaurav Gupta	**Ms. Tara Nair**
Managing Director	**Director**
(DIN: 08663203)	**(DIN: 03564073)**

Ananya Finance for Inclusive Growth Pvt. Ltd. Ahmedabad

FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	1) Satya Micro Capital Limited 2) Gaurav Gupta 3) Pranav Desai 4) Lavina Parikh
b)	Nature of contracts/arrangements/transaction	1) Commission expenses, Security deposit received and Interest Expense on Security deposit – Associate of Parent Company

Ananya Finance for Inclusive Growth Pvt. Ltd. Ahmedabad

		encashment – Key Managerial Personnel 3) Salary - Key Managerial Personnel 4) Salary – Key Managerial Personnel
c)	Duration of the contracts/arrangements/transaction	1) 24 Months 2) 3 years 3) Full Time Employment 4) Full Time Employment
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Date of approval by the Board	25th May 2021
f)	Amount paid as advances, if any	NIL

By Order of the Board of Directors

Date: 18/05/2022

Place: Ahmedabad

Mr. Gaurav Gupta
Managing Director
(DIN: 08663203)

Ms. Tara Nair
Director
(DIN: 03564073)

Ananya Finance for Inclusive Growth Pvt. Ltd. Ahmedabad

CS KASHYAP R. MEHTA
B.Com., LL.B., ACMA, FCS, ACIS (London)

KASHYAP R. MEHTA & ASSOCIATES
COMPANY SECRETARIES

B – 403, 'The First', Beside ITC Narmada Hotel, Behind Keshavbaug, Vastrapur, Ahmedabad – 380 015
Tel. No. : 079-2970 2975 / 76 / 77 ● **Mobile:** 98250 15581 ● **Email :** kashyaprmehta@hotmail.com ● **Web :** www.cskashyap.in

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022
[Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Ananya Finance For Inclusive Growth
Private Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ananya Finance For Inclusive Growth Private Limited,** [CIN: U65993GJ2009PTC056691] ('hereinafter called the Company') having Registered Office at 903, 9th Floor, Sakar- IX Besides old RBI, Ashram road, Ahmedabad 380 009. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives **whether electronically or otherwise** during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period, covering the financial year ended on **31st March, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(iv) Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 – Not applicable as the Equity shares of the Company are not listed during audit period

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(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – Not applicable as the Company has not issued any further share capital during the audit period

(d) Securities And Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014 – Not applicable during the audit period

(e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – The Company has issued Non-Convertible Debentures during the year under review. However, the same are not listed, hence the disclosure of the same is shown separately in this Report.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Not applicable as the Company is not registered as Registrar to Issue and Share transfer agent during audit period

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable during the audit period

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;- Not applicable during the audit period; and

(vi) Various common laws applicable to the activities of the Company such as The Reserve Bank of India Act, 1934, Prevention of Money Laundering Act, 2002, Income Tax, Act, 1961, Chapter V of the Finance Act, 1994 (Service Tax), Land Laws, Stamp Act, for which we have relied on Certificates/ Reports/ Declarations/Consents/Confirmations obtained by the Company from the experts of the relevant field such as Advocate, Consultants, Chartered Accountants and officers of the Company and have found that the Company is generally regular in complying with the provisions of various applicable Acts. The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

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

(i) Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with the Stock Exchange for its listed Debt securities.

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

1. *As per section 177 of Companies Act, 2013, the constitution of Audit Committee (AC) of the Company and as per section 178 of Companies Act, 2013, the constitution of Nomination & Remuneration Committee (NRC) of the Company was not as per the strict and literal interpretation of the sections for part of the year. The Company reconstituted AC and NRC by appointing two Independent Directors as per the requirement of Companies Act, 2013 w.e.f. 11th November, 2021.*

2. *The Board is not constituted as per the requirement of Articles of Association of the Company. As per clause 9.1 of Articles of Association, in case the majority of the Board comprises of male Directors, the representation of women Directors on the Board shall be at least 33% (Thirty Three percent), and vice versa.*

3. *The Company is required to have minimum 3 (three) Independent Directors on the Board of Directors of the Company as per clause 21.(3).(d) as per the Articles of Association of the Company. However, for the part of the period under review, the Company had 3 (three) Independent Directors but as on date of the report for the composition of Board with respect to Independent Directors, the Company has only 2 (two) Independent Directors.*

4. *As per the provisions of Companies Act, 2013 and Rules made thereunder, the Company is required to mention names of First Directors of the Company in the Articles of Association which has been duly complied with. The Company has also mentioned names of Directors post execution of Shares Purchase Agreement. It is advisable to remove this table from the Articles of Association of the Company as the Company is required to alter its Articles of Association upon every change in the Board of Directors of the Company. The Articles of association of the Company has to be amended by passing Special Resolution in the General Meeting of the Company.*

5. *The Company has received email dated 20th August, 2021 for fine levied for Non-disclosure of extent and nature of security created and maintained with respect to secured listed NCDs in the financial statements under Reg. 54(2) of SEBI LODR. The Company has submitted reply vide letter dated 23rd August, 2021 that the company has mentioned Asset cover while certifying disclosure to the exchange as required under regulation 52 (4) of SEBI LODR and the Company has obtained statutory auditors certificate for maintenance of asset cover which has been disclosed in Note No.19 of the Audited Financial Statements for the year ending 31st March 2021 which has also been submitted to the Debenture Trustee . The matter with BSE Limited is status quo.*

6. *As per Regulation 50(2) of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has not given intimation to the Stock Exchange regarding the dispatch of notice of Extra Ordinary General Meeting (EGM) held on 29th March, 2022 pertaining to issuance of Non-Convertible Debentures on a Private Placement Basis. However, the proceedings of the said EGM is submitted to the stock exchange within the timelines.*

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Vastrapur,
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We further report that:

The Board of Directors of the Company is duly constituted except as mentioned in points no. 2 & 3 above. The changes in the composition of the Board of Directors during the audit period under review, was duly made after complying with the necessary provisions of Companies Act, 2013 and the Rules made thereunder. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee meetings have been carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. There were no dissenting views on any matter.

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

We further report that the Company has issued 150 Rated, Unsubordinated, Secured, Redeemable, Transferable Non-Convertible Debentures each having face value of Rs. 10,00,000/- only aggregating to Rs. 15 crores & 250 Unlisted, Unsecured, Redeemable Transferable and Interest bearing Non-Convertible Debentures each having face value of Rs. 10,00,000/- only aggregating to Rs. 25 crores on 29th March, 2022 during the reporting year after obtaining necessary approval of Shareholders.

We further report that during the audit period the Company has:

1. Duly passed Ordinary Resolution for regularisation of Mr. Navin Kumar Maini as Independent Director on the Board of the Company.

2. Duly passed Special Resolution for Approval of Business Plan of the Company.

3. Duly passed Special Resolution for Alteration of Memorandum of Association by addition in the Object clause of the Company.

4. Duly passed Ordinary Resolution for appointment of Statutory Auditors due to casual vacancy caused by resignation of Deloitte Haskins & Sells, Chartered Accountants.

5. Duly passed Special Resolution for approving termination of existing ESOP Scheme-2019.

6. Duly passed Special Resolution for approval of Ananya Finance Employee Stock Option Plan 2021.

7. Duly passed Special Resolution for approval of Grant of Employee Stock Option equal to or more than 1% issued capital to the identified employees.

8. Duly passed Special Resolution for approval for issuance of 150 Non-convertible Debentures of Rs. 10,00,000 each to Northern Arc India Impact Trust

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9. Duly passed Special Resolution for approval for issuance of 250 Non-convertible Debentures of Rs. 10,00,000 each to Gojo & Company Inc.

For KASHYAP R. MEHTA & ASSOCATES,
COMPANY SECRETARIES,
FRN: S2011GJ166500

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Ahmedabad-380015
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KASHYAP R. MEHTA
PROPRIETOR
FCS-1821 : COP-2052 : PR-583/2019
UDIN:F001821D000273721

Date: 5th May, 2022
Place: Ahmedabad

Note: This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

CS KASHYAP R. MEHTA
B.Com., LL.B., ACMA, FCS, ACIS (London)

KASHYAP R. MEHTA & ASSOCIATES
COMPANY SECRETARIES

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Annexure - 1

To,
The Members,
Ananya Finance For Inclusive Growth,
Private Limited.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR KASHYAP R. MEHTA & ASSOCIATES
COMPANY SECRETARIES
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KASHYAP R. MEHTA
PROPRIETOR
FCS-1821 : COP-2052 : PR-583/2019
UDIN:F001821D000273721

Date: 5th May, 2022
Place: Ahmedabad

ANANYA
Finance for Inclusive Growth Pvt. Ltd.

To,
The Board of Directors,
Ananya Finance For Inclusive Growth
Private Limited

The Observations on the Secretarial Audit report for the financial year ended 31st March, 2022 and the action taken by the Company towards the same is listed below:

Sr. No.	Compliance Requirement	Observations	Action taken/ Explanation provided by the Company
1	As per Section 177 of the Companies Act, 2013, the Audit Committee of the Company shall consist of a minimum of three directors with independent directors forming a majority. As per 178 of the Companies Act, 2013, the Nomination & Remuneration Committee (NRC) of the Company shall consist of three or more non-executive Directors out of which not less than one-half shall be Independent Directors.	As per section 177 of Companies Act, 2013, the constitution of Audit Committee (AC) of the Company and as per section 178 of Companies Act, 2013, the constitution of Nomination & Remuneration Committee (NRC) of the Company are not as per the strict and literal interpretation of the sections. Since there is conflict between the provisions of Companies Act,2013 and RBI guidelines with reference to the said provisions, it is recommended as a good governance to constitute the committees as per the provisions of Companies Act, 2013	The AC and NRC have been reconstituted as per the provisions of Companies Act, 2013 w.e.f. 11th November, 2021
2	As per clause 9.1 of Articles of Association, in case the majority of the Board comprises of male Directors, the representation of women Directors on the Board shall be at least 33% (Thirty Three percent), and vice versa.	The Board is not constituted as per the requirement of Articles of Association of the Company. However, for the part of the period under review, the Company had 2 (two) Women Directors. Due to resignation of Ms. Jayshree Vyas, the Company has only 1 Women Director on its Board as on the date of Report which is not 33%.	The Company is in the process of appointing Women Independent Director on its Board.

3	The Company is required to have minimum 3 (three) Independent Directors on the Board of Directors of the Company.	However, for the part of the period under review, the Company had 3 (three) Independent Directors but as on date of the report for the composition of Board with respect to Independent Directors the Company has only 2 (two) Independent Directors as per the Articles of the Company	The Company is in the process of appointing Independent Director on its Board.
4.	The Company has received email dated 20th August, 2021 for fine levied for Non-disclosure of extent and nature of security created and maintained with respect to secured listed NCDs in the financial statements under Reg. 54(2) of SEBI LODR.	The Company has submitted reply vide letter dated 23rd August, 2021 that the company has mentioned Asset cover while certifying disclosure to the exchange as required under regulation 52 (4) of SEBI LODR and the Company has obtained statutory auditors certificate for maintenance of asset cover which has been disclosed in Note No. 19 of the Audited Financial Statements for the year ending 31st March 2021 and has also been submitted to the Debenture Trustee.	The matter with BSE Limited is status quo
5.	As per Regulation 50(2) of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity shall intimate the Stock exchange not later than the date of commencement of dispatch of notices to the shareholders about the AGM/EGM where in approval of shareholders is to be obtained for fund raising by way of issuance of non-convertible securities.	The Company has not given intimation to the Stock Exchange regarding the dispatch of notice of Extra Ordinary General Meeting (EGM) pertaining to issuance of Non-Convertible Debentures on a Private Placement Basis held on 29th March, 2022. However, the proceedings of the said EGM is submitted to the stock exchange within the timelines.	Since the action is time bound no rectification is possible.

INDEPENDENT AUDITOR'S REPORT

To The Members of Ananya Finance for Inclusive Growth Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Ananya Finance for Inclusive Growth Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive loss, its cash flows and the changes in equity 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 (SAs), as 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the 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.

MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

Sr. No.	Key Audit Matter	Auditor's Response
1	**Impairment of Loans as at Balance Sheet Date (Expected Credit Losses):** **(Refer Note 6 to the Financial Statements)** Ind AS 109 requires the company to provide for impairment of its loans designated at amortised cost using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on loans receivable 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 loan receivable. In the process, a significant degree of judgment has been applied by the management for: • staging of the Loan Receivable (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 Loans Receivable; • estimation of losses for Loans Receivable with no/minimal historical defaults. Since the loan Receivable form a major portion of the Company's assets, and due to the significance of the judgements used in classifying loans into various stages as stipulated in Ind AS 109 and determining related impairment provision requirements as accentuated by the COVID-19 pandemic, this is considered to be the area that had a greater focus of our overall company audit and hence a key audit matter.	**Principal audit procedures performed are:** • Read and assessed the company's accounting policies for impairment of loans and their compliance with Ind AS 109. • Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. • Assessed the criteria for staging of financial assets based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) assets to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3. • Assessed the additional considerations applied by the management for staging of loans as SICR or default categories in view of factors caused by COVID-19 and other macro-economic factors. • Tested the ECL model, including assumptions and underlying computation. Assessed the floor / minimum rates of provisioning applied by the company for loans receivable with inadequate historical defaults. • Tested for a sample of exposures, the appropriateness of determining Exposure at Default (EAD), calculation of Probability of Default (PD) and Loss Given Default (LGD) used in ECL calculation. • Tested assumptions used by the management in determining the overlay for macro-economic factors (including COVID-19 pandemic). • Assessed disclosures included in the Financial Statements in respect of expected credit losses including the specific disclosures made with regards to the impact of COVID-19 on ECL estimation.

MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

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 Directors' Report including Annexures to the Directors' Report but does not include the Financial Statements and our auditor's report thereon. The other information 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 do not express any form of assurance conclusion thereon.
In connection with our audit of the 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 Financial Statements or our knowledge obtained during the course of our 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 and to comply with the relevant applicable requirements of the SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the 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 including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 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 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 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 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.

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS

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 financial 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 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 the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Other Matter

The Audit of the Financial Statements for the year ended March 31, 2021 was carried out and reported by another Auditor M/s Deloitte Haskins & Sells LLP, Chartered Accountants, who had expressed an unmodified opinion on those financial statements vide their audit report dated May 25, 2021.
Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, 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 the Statement of Other Comprehensive Income, the 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 Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representations 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 March 31, 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 with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   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, as amended 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 financial statements. (Refer Note 33).

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

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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.

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS

(b) The Management has represented, that, to the best of their knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 has 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 mis-statement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. 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 "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No.106041W/W100136

MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

(J. D. Shah)
Partner
Membership No.: 100116
UDIN: 21100116AJENCI9849

Place: **Ahmedabad**
Date: **May 18, 2022**

Annexure A to the Independent Auditors' Report

[Annexure referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report on Financial Statements for the year ended March 31, 2022 to the members of Ananya Finance For Inclusive Growth Private Limited]

Report on the Internal Financial Controls Over Financial Reporting 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 Ananya Finance For Inclusive Growth Private Limited ("the Company") as of March 31, 2022 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 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. 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 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 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 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 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 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 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, to the best of our information and according to the explanations given to us, 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 March 31, 2022, based on the criteria for internal financial control over financial reporting 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.

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

MANUBHAI & SHAH LLP • CHARTERED ACCOUNTANTS

Place: Ahmedabad
Date: May 18, 2022

(J. D. Shah)
Partner
Membership No.: 100116
UDIN: 21100116AJENCI9849

Annexure B to the Independent Auditors' Report

[Annexure referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report on Financial Statements for the year ended March 31, 2022 to the members of Ananya Finance for Inclusive Growth Private limited]

To the best of our information and according to explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets. The Company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant and Equipment and right-of-use assets were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.

c) The Company does not have any immovable property. Based on the examination of the lease agreement in respect of immovable property where the Company is the lessee, we report that lease deed is duly executed in favor of the Company and such immovable property has been disclosed in the financial statement as Right of Use of Assets as at the balance sheet date.

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. a) The Company does not have any Inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the company.

b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 500 lakhs, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

iii. a) The Company's principal business is to give loans, and hence reporting under clause (iii)(a) of the Order is not applicable.

b) The Investment made and terms and conditions of the grant of loans during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts have been generally regular as per stipulations. However, in certain loans the repayments or receipts have not been regular as per stipulations.

d) In respect of following loans granted by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the principal amounts and interest:

No. of cases	Principal amount overdue	Interest overdue	Total overdue	Remarks
344	Rs. 514.62 Lakhs	Rs. 3.61 Lakhs	Rs. 518.23 Lakhs	None

MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

e) The Company's principal business is to give loans, and hence reporting under clause (iii)(e) of the Order is not applicable.

f) According to information and explanations given to us and based on the audit procedures performed, 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.

iv. According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

vii. a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities during the year.

b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

c) Details of statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022 are as under:

Nature of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which amount relates	Amount Involved (Rs. in Lakhs)	Amount Unpaid (Rs. in Lakhs)
The Income Tax Act, 1961	Income Tax	ITAT	Asst Year 2011-12	379.97	Nil
			Asst Year 2012-13	58.25	Nil
			Asst Year 2013-14	132.16*	Nil
		CIT (A)	Asst Year 2016-17	58.36	58.36

*Rs.14.11 lakhs, additional interest adjusted by tax authorities while processing refunds of earlier years, have been added here and adjusted the original demand of Rs.118.05 lakhs, as the information pertaining to assessment year for which such Rs. 14.11 lakhs are adjusted, is not available with the company.

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

f) The Company did not have investment in any subsidiary or associates or joint ventures and hence, reporting under clause (ix)(f) of the Order is not applicable.

x. a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, paragraph 3(x)(a) of the Order is not applicable.

b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi. a) To the best of our knowledge, no fraud by the Company and on the Company has been noticed or reported during the year.

b) To the best of our knowledge, 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) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Financial Statements, as required by the applicable Indian accounting standards.

xiv. 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 issued to the Company during the year and covering the period April 2021 to December 2021 and the draft of the internal audit report issued after the balance sheet date covering the period from January 2022 to March 2022 for the period under audit.

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, paragraph 3(xv) of the Order is not applicable.

xvi. a) 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.

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

b) During the year the Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI. Further, the Company is having valid certificate of registration to conduct Non-Banking Financial activities.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, paragraph 3(xvi) (c) and (d) of the order are not applicable.

xvii. The Company has incurred cash losses amounting to Rs. 122.37 Lakhs during the financial year covered by our audit and Rs. 1,212.89 Lakhs in the immediately preceding financial year.

xviii. There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the 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 realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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. According to the information and explanations given to us, there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS

Place: Ahmedabad
Date: May 18, 2022

(J. D. Shah)
Partner
Membership No.: 100116
UDIN: 21100116AJENCI9849

Ananya Finance for Inclusive Growth Private Limited
CIN : U65993GJ2009PTC056691
Balance Sheet as at 31st March,2022

(Rs. In Lakhs)

	Particulars	Note	As at 31st March 2022	As at 31st March, 2021
ASSETS				
[1]	**Financial Assets**			
(a)	Cash and cash equivalents	4	4,410.88	1,584.95
(b)	Bank Balance other than (a) above	5	1,031.85	1,131.03
(c)	Loans	6	31,010.97	25,060.71
(d)	Investments	7	361.19	136.12
(e)	Other Financial assets	8	344.32	140.83
			37,159.21	**28,053.64**
[2]	**Non-financial Assets**			
(a)	Current tax assets (Net)	10.2	895.27	763.65
(b)	Deferred tax Assets (Net)	10.2	363.31	485.58
(c)	Property, Plant and Equipment	11	68.47	72.18
(d)	Intangible assets under development	12.1	32.68	24.00
(e)	Other Intangible assets	12	0.61	0.81
(f)	Right of Use Asset	13	141.51	159.38
(g)	Other non-financial assets	9	5.76	3.57
			1,507.61	**1,509.17**
	Total Assets		**38,666.82**	**29,562.81**
LIABILITIES AND EQUITY				
[1]	**Financial Liabilities**			
(a)	Trade Payables	14		
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	101.83	47.43
(b)	Lease Obligation	15	161.61	167.18
(c)	Debt Securities	19	3,617.19	3,799.80
(d)	Borrowings (Other than Debt Securities)	19	22,304.45	13,207.46
(e)	Other financial liabilities	16	2,972.56	2,936.48
			29,157.64	**20,158.35**
[2]	**Non-Financial Liabilities**			
(a)	Provisions	17	63.48	73.24
(b)	Other non-financial liabilities	18	48.08	37.44
			111.56	**110.68**
[3]	**EQUITY**			
(a)	Equity Share capital	20	6,602.92	6,602.92
(b)	Other Equity	21	2,794.70	2,690.86
			9,397.62	**9,293.78**
	Total Liabilities and Equity		**38,666.82**	**29,562.81**

See accompanying notes to the financial statements in terms of our report attached

For Manubhai & Shah LLP
Chartered Accountants
(FRN 106041W/W100136)

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

J.D. Shah
Partner
(M.No.100116)

For and on behalf of the Board of Directors

Navinkumar Maini
Chairman
(DIN 00419921)
Place:Delhi
Date: 18.05.2022

Gaurav Gupta
Managing Director
(DIN 08663203)
Place:Ahmedabad
Date: 18.05.2022

Pranav Desai
Chief Financial Officer
Place:Ahmedabad
Date: 18.05.2022

Lavina Parikh
Company Secretary
Place:Ahmedabad
Date: 18.05.2022

Place: Ahmedabad
Date: 18.05.2022

Ananya Finance For Inclusive Growth Pvt. Ltd. * Ahmedabad

Ananya Finance for Inclusive Growth Private Limited
CIN : U65993GJ2009PTC056691
Statement of Profit and Loss for the year ended 31st March,2022

(Rs. In Lakhs)

	Particulars	Note	Year ended 31st March 2022	Year ended 31st March, 2021
REVENUE FROM OPERATIONS				
(i)	Interest Income	22	3,937.10	3,663.59
(ii)	Net gain on fair value changes	23	29.28	4.54
(I)	**Total Revenue from operations**		**3,966.38**	**3,668.13**
(II)	Other Income	25	42.37	71.01
(III)	**Total Income (I+II)**		**4,008.75**	**3,739.14**
EXPENSES				
(i)	Finance Costs	26	2,474.19	2,318.99
(ii)	Fees and Commission Expenses	27	161.22	-
(iii)	Net loss on derecognition of financial instruments under amortised cost category	24	747.23	1,976.68
(iv)	Impairment / (Reversal of Impairment) on financial instruments	28	(414.62)	(69.85)
(v)	Employee Benefits Expenses	29	575.63	431.83
(vi)	Depreciation, amortization and impairment	11, 12 & 13	41.40	35.17
(vii)	Other expenses	30	192.73	192.84
(IV)	**Total Expenses**		**3,777.78**	**4,885.66**
(V)	**Profit / (loss) before tax (III -IV)**		**230.97**	**(1,146.50)**
(VI)	Tax Expense:			
	(1) Current Tax	10	-	-
	(2) Adjustment of earlier year Tax	10	-	42.62
	(3) Deferred Tax	10	127.37	(2.59)
	(4) MAT Credit	10	-	-
	Total Tax Expense		**127.37**	**40.03**
(VII)	**Profit / (loss) for the year (V - VI)**		**103.60**	**(1,186.53)**
(VIII)	**Other Comprehensive Income**	10.1		
	(i) Items that will not be reclassified to profit or loss		(19.61)	6.56
	(ii) Income tax relating to items that will not be reclassified to profit or loss		5.10	(1.82)
	Subtotal (A)		**(14.51)**	**4.74**
	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other Comprehensive Income / (loss)		**(14.51)**	**4.74**
(IX)	**Total Comprehensive Income / (loss) (VII+VIII)**		**89.09**	**(1,181.79)**
(X)	**Earnings / (Loss) per equity share**			
	Basic (Rs.)	31	0.16	(1.80)
	Diluted (Rs.)		0.16	(1.80)

See accompanying notes to the financial statements in terms of our report attached

For Manubhai & Shah LLP
Chartered Accountants
(FRN 106041W/W100136)

J.D. Shah
Partner
(M.No.100116)

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS

Place: Ahmedabad
Date: 18.05.2022

For and on behalf of the Board of Directors

Navinkumar Maini
Chairman
(DIN 00419921)
Place:Delhi
Date: 18.05.2022

Gaurav Gupta
Managing Director
(DIN 08663203)
Place:Ahmedabad
Date: 18.05.2022

Pranav Desai
Chief Financial Officer
Place:Ahmedabad
Date: 18.05.2022

Lavina Parikh
Company Secretary
Place:Ahmedabad
Date: 18.05.2022

Ananya Finance for Inclusive Growth Pvt. Ltd. * Ahmedabad

Ananya Finance for Inclusive Growth Private Limited
CIN : U65993GJ2009PTC056691
Cash Flow Statement for the year ended 31st March,2022

(Rs. In Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March, 2021
A) Cash flows from operating activities		
Net Profit/(Loss) before tax	230.97	(1,146.50)
Adjustments For:		
Depreciation and amortisation	41.40	35.16
Gain on Sale of Property, Plant and Equipment	(0.11)	-
Impairment on financial instruments	(414.62)	(69.86)
Interest income on loans	(3,787.40)	(3,443.40)
Interest income received on loans	3,714.17	3,257.51
Net loss on derecognition of financial instruments under amortised cost category	805.29	1,986.28
Interest income on Fixed Deposits	(149.51)	(229.63)
Interest on Unwinding of Security Deposit	(0.19)	(0.16)
Finance Cost	2,474.19	2,318.96
Finance Cost Paid	(2,559.20)	(2,279.06)
Net Gain on Fair Value changes	(29.28)	(4.54)
Provision for Employee benefit expenses	32.22	32.81
Operating cash flows before working capital changes	**357.93**	**457.57**
(Increase) / decrease in other assets	(205.48)	(75.89)
Increase in Trade Payables	54.40	24.44
Increase in other liabilities and provisions	89.26	(1,348.02)
Cash generated from operations	**296.11**	**(941.90)**
Income taxes paid	(131.62)	249.09
Cash generated from operating activities after tax paid	**164.49**	**(692.81)**
Loan Repayment / (Disbursement) (Net)	(6,267.68)	(1,489.21)
Net cash (used in)/generated from operating activities (A)	**(6,103.19)**	**(2,182.02)**
B) Cash flows from investing activities		
Purchase of Property, Plant, Equipment	(19.11)	(42.74)
Purchase of Intangible Assets / Intangibles under development	(9.25)	(2.08)
Proceeds from Sale of Property, Plant and Equipment	0.17	-
Purchase of Equity Shares	(250.00)	(75.00)
Proceeds from purchase and sale of units of mutual funds (Net)	39.22	-
Interest received on Fixed Deposit and Other Investments	165.62	255.98
Bank deposit/Margin money placed	(71,701.52)	(250.00)
Bank deposit/Margin money released	71,784.59	546.16
Net cash (used in)/generated from investing activities (B)	**9.72**	**432.32**
C) Cash flows from financing activities		
Proceeds from issue of Debt Securities	-	2,500.00
Repayment of Debt Securities	(179.12)	(247.51)
Proceeds from Other Borrowings	21,039.92	6,450.00
Repayment of Other Borrowings	(11,914.17)	(8,953.68)
Repayment of Lease Liability(including interest on lease liability)	(27.23)	(25.94)
Net cash generated from financing activities (C)	**8,919.40**	**(277.13)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**2,825.93**	**(2,026.83)**
Cash and cash equivalents at the beginning of the Year	1,584.95	3,611.78
Cash and cash equivalents at the end of the Year	**4,410.88**	**1,584.95**

Cash Flow Statement has been prepared using Indirect Method Prescribed under IND AS 7.

For Manubhai & Shah LLP
Chartered Accountants
(FRN 106041W/W100136)

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

J.D. Shah
Partner
(M.No.100116)

Place: Ahmedabad
Date: 18.05.2022

For and on behalf of the Board of Directors

Navinkumar Maini
Chairman
(DIN 00419921)
Place:Delhi
Date: 18.05.2022

Gaurav Gupta
Managing Director
(DIN 08663203)
Place:Ahmedabad
Date: 18.05.2022

Pranav Desai
Chief Financial Officer
Place:Ahmedabad
Date: 18.05.2022

Lavina Parikh
Company Secretary
Place:Ahmedabad
Date: 18.05.2022

Ananya Finance for Inclusive Growth Pvt. Ltd. * Ahmedabad

Ananya Finance for Inclusive Growth Private Limited
Statement of Changes in Equity for the period ended 31st March 2022

A Equity Share Capital

(Rs. In Lakhs)

Particulars	
Issued, Subscribed and fully paid up:	
	Class A
Balance as at 1 April 2020	6,602.92
Changes during the year:	
Fresh allotment of shares	-
Balance as at 31 March 2021	**6602.92**
Balance as at 1 April 2021	6602.92
Changes during the year:	
Fresh allotment of shares	-
Balance as at 31 March 2022	**6602.92**

B Other Equity

(Rs. In Lakhs)

	Reserves and Surplus					Total
	Statutory Reserves*	Securities Premium	Retained Earnings	Stock options otstanding account	Equity Instruments through Other Comprehensive Income (net of tax)	
Balance as at 1 April 2020	**354.23**	**3106.09**	**412.33**	-	-	**3872.65**
Net Profit for the year	-	-	(1,186.53)	-	-	(1,186.53)
Remeasurement of the net defined benefit liability/asset(net of tax)	-	-	4.74	-	-	4.74
Balance as at 31 March 2021	**354.23**	**3106.09**	**(769.45)**	-	-	**2690.86**
Net Profit for the year	-	-	103.60	-	-	103.60
Transferred from Retained earnings to Statutory Reserves*	20.72	-	(20.72)	-	-	-
Remeasurement of the net defined benefit liability/asset(net of tax)	-	-	(3.41)	-	-	(3.41)
Movement during the year	-	-	-	14.75	(11.10)	3.65
Balance as at 31 March 2022	**374.95**	**3106.09**	**(689.98)**	**14.75**	**(11.10)**	**2794.70**

* As required by section 45-IC of the Reserve Bank of India Act 1934, the company maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. The company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act,1934.

See accompanying notes to the financial statements in terms of our report attached

For Manubhai & Shah LLP
Chartered Accountants
(FRN 106041W/W100136)

J.D. Shah
Partner
(M.No.100116)

MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

Place: Ahmedabad
Date: 18.05.2022

For and on behalf of the Board of Directors

Navinkumar Maini
Chairman
(DIN 00419921)
Place:Delhi
Date: 18.05.2022

Gaurav Gupta
Managing Director
(DIN 08663203)
Place:Ahmedabad
Date: 18.05.2022

Pranav Desai
Chief Financial Officer
Place:Ahmedabad
Date: 18.05.2022

Lavina Parikh
Company Secretary
Place:Ahmedabad
Date: 18.05.2022

Ananya Finance For Inclusive Growth Pvt. Ltd. Ahmedabad

Ananya Finance for Inclusive Growth Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2022

1 Company overview

Ananya Finance for Inclusive Growth Private Limited (the 'Company') is a Private limited company domiciled in India and is incorporated under the provisions of the Companies Act. Upto the previous year, the Company was regulated as a Non-Systemically Important Non-Deposit Taking Non-Banking Finance Company registered with RBI.

The financial statements are approved for issue by the Company's Board of Directors on 18th May 2022.

2 Basis of Preparation and Presentation of Financial Statements

2.1 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of the RBI guidelines/regulations to the extent applicable on an accrual basis.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

2.3 Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit 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.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived prices)

Level 3 – inputs are not based on observable market data (unobservable inputs).Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2.4 Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency. All amounts are rounded-off to the nearest Lakhs, unless otherwise indicated.

Foreign Currency Transaction and Balances

Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date.

All differences arising on non–trading activities are taken to other income/ expense in the Statement of Profit and Loss.

Ananya Finance for Inclusive Growth Pvt. Ltd. Ahmedabad

MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions.

These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are:

2.5.1 Useful lives of property, plant and equipment:

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

2.5.2 Effective Interest Rate (EIR) Method:

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

2.5.3 Impairment of Financial Assets:

The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk. The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL model, including the various formulas and the choice of inputs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL model

It has been the Company's policy to regularly review its model in the context of actual loss experience and adjust when necessary.

2.5.4 Impairment of non-financial assets:

Impairment exists when the carrying value of an asset or cash generating unit 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 for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the upcoming years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

2.5.5 Employee benefits:

The cost of the defined benefit and long term employee benefit plans and the present value of the related obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation, a defined benefit and long term employee benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Ananya Finance For Inclusive Growth Pvt. Ltd. * Ahmedabad

Manubhai & Shah LLP * Chartered Accountants *

2.5.6 Expense Provisions & contingent liabilities:

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

2.5.7 Deferred tax :

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.5.8 Presentation of financial statements :

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Financial Statements along with the other notes required to be disclosed under the notified Ind AS and regulations issued by the RBI.

3 Significant Accounting Policies

3.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. However, where the ultimate collection of revenue lacks reasonable certainty, revenue recognition is postponed.

Interest income

Interest income is recognised using effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the instrument. Hence, it recognises the effect of potentially different interest rates charged at various stages, if any, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the Balance Sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the Statement of Profit and Loss.

Dividend

Dividend income is recognised when the right to receive the dividend is established and it is probable that the economic benefits associated with the dividend will flow to the Company and that the amount of the dividend can be measured reliably.

Assignment transactions

In accordance with Ind AS 109, in case of assignment transactions with complete transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognised from the Balance Sheet immediately upon execution of such transaction. Further, the transfer of financial assets qualifies for derecognition in its entirety, the whole of the interest spread at its present value (discounted over the life of the asset) is recognised on the date of derecognition itself as interest only strip receivable (interest strip on assignment) and correspondingly recognised as profit on derecognition of financial asset.

Gain or loss on derecognition of financial assets

Gain or Loss on derecognition of financial asset is recognised upfront in the year of sale and is determined as the difference between the sale price (net of selling costs) and carrying value of financial asset.

Ananya Finance For Inclusive Growth Pvt. Ltd. Ahmedabad

Manubhai & Shah LLP Chartered Accountants

Other Income

All other incomes are recognised and accounted for on accrual basis when company satisfies the performance obligations and right to receive is established.

3.2 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 the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Changes in the expected useful life, if any, are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

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

All other expenses on existing property, plant and equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

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.

Property, plant and equipment not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation on tangible assets is calculated on a straight-line basis, using the rates based on the useful lives estimated by the management based on a technical evaluation, which is different from the useful life as specified in Schedule II of the Act. The Comparison between the useful life estimated by the Management and the useful life as defined in Schedule II of the Act is as follows:

Asset Class	Estimated Useful Life adopted by Company	Estimated Useful Life as per Schedule II
Furniture & Fixtures	3-4 Years	10 Years
Vehicles	4 Years	8-10 Years
Office Equipments	5 Years	5 Years
Computers	3 Years	3 Years

Depreciation is calculated on a pro-rata basis from the day the assets are purchased / sold. Tangible assets individually costing less than Rs. 5,000 are depreciated fully in the year of purchase.

The residual value, useful live and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.3 Intangible assets

An intangible asset is recognised, only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and the cost can be measured reliably.

Intangible assets are stated at cost, less accumulated amortization and impairment losses, if any.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development".

Separately purchased intangible assets are initially measured at cost. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized over the expected duration of benefit which ranges from 3 to 5 years, on a straight-line basis. Intangible assets acquired / purchased during the year are amortised on a pro-rata basis from the date on which such assets are ready to use.

The residual value, useful life and method of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Ananya Finance For Inclusive Growth Pvt. Ltd. * Ahmedabad

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

3.4 Financial Instruments

3.4.1 Recognition and Initial Measurement

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognized at fair value on initial recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (Other than financial assets and liabilities at FVTPL) are added to or deducted from the fair value of financial assets or financial liabilities on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.4.2 Classification and Subsequent measurement

a Non-derivative financial instruments

i Financial assets carried at amortized cost
A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii Financial assets at fair value through other comprehensive income
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii Financial assets at fair value through profit or loss
A financial asset which is not classified in any of the above categories are subsequently measured at fair valued through profit or loss. Fair value changes are recognised as other income in the Statement of Profit or Loss.

iv Financial liabilities
Financial liabilities are subsequently carried at amortized cost using the effective interest method.

b Equity instruments
An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognised as a deduction from equity instrument net of any tax effects.

c Instruments entirely equity in nature
An option embedded in financial instruments to exchange a fixed number of the company's own equity instruments for a fixed amount of any currency are considered as equity instruments. Such instruments in financial statements are disclosed as Instruments entirely equity in nature.

3.4.3 Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

A financial liability is derecognised when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognised in Statement of profit and loss.

3.4.4 Off-setting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when the company currently has a legally enforceable right to offset the recognised amount and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Ananya Finance For Inclusive Growth Pvt. Ltd. Ahmedabad

MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

3.4.5 Modification

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and / or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximize collection and minimize the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness).

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

3.5 Income tax

Income tax expense comprises current tax and deferred tax.

3.5.1 Current Tax

Current tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and current tax liabilities are offset, where company has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.5.2 Deferred Tax

Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from initial recognition of goodwill; or initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized, except when deferred tax asset on deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, where company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.6 Impairment

3.6.1 Financial assets

Considering the prudence, the Company recognizes impairment on financial asset on higher of the provision required as per the regulations of Reserve Bank of India or using expected credit loss (ECL) model as prescribed in Ind AS for the financial assets which are not fair valued.

The expected credit losses (ECLs) is recognized based on forward-looking information for all financial assets at amortized cost, no impairment loss is applicable on equity investments.

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At the reporting date, an allowance is required for the 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 1), an allowance (or provision) should be recognized for the lifetime ECLs for financial instruments for which the credit risk has increased significantly since initial recognition (Stage 2) or which are credit impaired (Stage 3).

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Company applies a three-stage approach to measure ECL on financial assets accounted for at amortized cost. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

Stage 1: 12-months ECL

For exposures where there has not been a 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. Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1. The Company has identified zero bucket and bucket with DPD less than or equal to 30 days as two separate buckets.

Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognized. Exposures with DPD more than 30 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

Stage 3: Lifetime ECL – credit impaired

Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognized on principal outstanding as at period end. Exposures with DPD equal to or more than 90 days are classified as stage 3.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

ECL is recognized on EAD as at period end. If the terms of a financial asset are renegotiated or modified due to financial difficulties of the borrower, then such asset is moved to stage 3, lifetime ECL under stage 3 on the outstanding amount is applied.

The Company assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

Quantitative test: Accounts that are more than 30 calendar days past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.

Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met.

The definition of default for the purpose of determining ECLs has been aligned to the Reserve Bank of India definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due.

The measurement of all expected credit losses for financial assets held at the reporting date are based on historical experience, current conditions and reasonable and supportable forecasts. The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives and estimation of EAD and assessing significant increases in credit risk.

Presentation of ECL allowance for financial asset:
Expected Credit Loss on Financial assets measured at amortized cost are shown as a deduction from the gross carrying amount of the assets.

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Write off
Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the income statement.

3.6.2 Non-financial assets

Tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.7 Borrowing costs

Borrowing cost includes interest and other costs that company has incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

All other borrowing costs are expensed in the year they occur.

Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

3.8 Employee Benefits

Short term employee benefits for salary that are expected to be settled wholly within 12 months after the end of the reporting period in which employees render the related service are recognized as an expense in the statement of profit and loss.

Retirement benefit in the form of provident fund and ESIC is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund and ESIC. The company recognizes contribution payable to the provident fund and ESIC scheme as an expenditure, when an employee renders the related service.

The company operates one defined benefit plan and one long term benefit plan for its employees, viz., gratuity plan and leave encashment plan respectively. The costs of providing benefits under the plans are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method made at the end of each reporting date. Re-measurement of the net defined benefit liability (asset) comprise of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability / (asset). Re-measurement for defined benefit plans are recognised in other comprehensive income and will not be reclassified to profit or loss in a subsequent period.

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3.9 Provisions

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

3.10 Contingent Liability

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

3.11 Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only be occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company does not recognize a contingent asset but discloses its existence in the financial statements.

3.12 Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank (including demand deposits) and in hand and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.13 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

3.14 Lease

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. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. 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 incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the Fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. When the lease liability is remeasured, 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 as separate line item in Non-current Assets and lease liabilities in Financial Lease obligation in the balance sheet.

Short-term leases and leases of low-value assets:

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term 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.

3.15 Cash Flow Statement

Cash flows are reported using indirect method whereby profit for the period is adjusted for the effects of the transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts and payments and items of income or expenses associated with investing and financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.16 Segment Reporting

The Company identifies segments as operating segments whose operating results are regularly reviewed by the Chief Operating Decision Maker [CODM] i.e. Board of Directors, to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The accounting policies adopted for segment reporting are in line with the accounting policies of the company.

3.17 Share-based Payments

Cash-settled transactions:

In case of cash-settled transactions, a liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability.

Employee Stock Option Plan:

The Company recognizes compensation expense relating to share-based payments in net profit based on estimated fair-values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

3.18 Securities issue expenses

Expenses incurred in connection with fresh issue of Share capital are adjusted against Securities premium reserve as permissible under section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in Securities premium reserve. Share issue expense in excess of the balance in Securities premium reserve is expensed in the Statment of Profit and Loss.

3.19 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

3.20 Recent Accounting Pronouncement:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendment specifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

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4 Cash and cash equivalents

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Cash on hand	0.02	0.02
Balances with Banks;		
- in current accounts	2,764.67	1,344.45
- in bank deposits (with original maturity of three months or less)	1,646.19	240.48
Total	4,410.88	1,584.95

5 Bank Balance other than (a) above

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Bank deposit (with original maturity of more than three months)	1,031.85	1,131.03
Total	1,031.85	1,131.03

Represents deposits for the current Year Rs.1017.14 lakh (As at 31st March 2021 :Rs. 1,078.06 /- lakh) held as margin money against loans availed by the Company.

6 Loans

(Rs. In Lakhs)

	Particulars	As at 31st March 2022	As at 31st March, 2021
A)	Loans (at amortised cost):		
	i) Term loans	31,663.03	26,127.03
	ii) Others - Loan to Employees	0.67	1.04
	Total (Gross) - A	31,663.70	26,128.07
	Less : Impairment loss allowance	652.74	1,067.36
	Total (Net) - A	31,010.97	25,060.71
B)	i) Secured by Books Debts (Refer note 6.1)	5,888.44	12,373.19
	ii) Covered by bank / Government guarantees		
	iii) Unsecured	25,775.26	13,754.88
	Total (Gross) - B	31,663.70	26,128.07
	Less : Impairment loss allowance	652.74	1,067.36
	Total (Net) - B	31,010.97	25,060.71
C)	i) Loans in India		
	a) Public Sector	-	-
	b) Others	31,663.70	26,128.07
	Total (Gross) - C	31,663.70	26,128.07
	Less : Impairment loss allowance	652.74	1,067.36
	Total (Net) - C (i)	31,010.97	25,060.71
	ii) Loans outside India	-	-
	Less : Impairment loss allowance	-	-
	Total (Net) - C (ii)	-	-
	Total (Net) - C (i+ii)	31,010.97	25,060.71

Note 6.1 As per the terms of the contract with borrowers, the Company has first and exclusive charge on the book debts of the borrower, equitable mortgage of property , hypothecation of assets, personal guarantee , corporate guarantee, security deposit etc.

Note 6.2 There is no Loan Asset measured at FVTOCI or FVTPL or designated at FVTPL.

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7 Investments

(Rs. In Lakhs)

Particulars	As at 31st March 2022				As at 31st March, 2021			
	Amortised Cost	Fair value Through profit or loss	Fair value Through OCI	Total	Amortised Cost	Fair value Through profit or loss	Fair value Through OCI	Total
Mutual funds (Quoted)	-	51.19	-	51.19	-	61.12	-	61.12
Preference Shares (Unquoted)	70.19	-	-	70.19	70.19	-	-	70.19
Equity Shares (Unquoted)	-	-	310.00	310.00	-	-	75.00	75.00
Total – Gross (A)	**70.19**	**51.19**	**310.00**	**431.38**	**70.19**	**61.12**	**75.00**	**206.31**
(i) Investments outside India	-	-	-	-	-	-	-	-
(ii) Investments in India	70.19	51.19	310.00	431.38	70.19	61.12	75.00	206.31
Total (B)	**70.19**	**51.19**	**310.00**	**431.38**	**70.19**	**61.12**	**75.00**	**206.31**
Less:- Allowance for Impairment Loss	70.19	-	-	70.19	70.19	-	-	70.19
Total – Net Investments	-	**51.19**	**310.00**	**361.19**	-	**61.12**	**75.00**	**136.12**

Breakup of Investments:

(Rs. In Lakhs)

Particulars	As at 31st March 2022		As at 31st March, 2021	
	No. / Units	Amount	No. / Units	Amount
Mutual Funds				
SBI Credit Risk Fund Regular Growth	-	-	1,78,461	61.12
Union Corporate Bond Fund Regular Plan- Growth	4,09,249	51.19	-	-
Preference Shares				
Optionally convertible cumulative redeemable preference shares of Rs.10 each of Asmitha Microfin Limited	7,01,930	70.19	7,01,930	70.19
Equity Shares				
Equity shares of Rs. 10 each of Prayas Financial service Private Limited	5,00,000	60.00	5,00,000	75.00
Equity shares of Rs. 10 each of Uttrayan Financial service Private Limited	2,94,117	250.00		
Sub Total (A)		431.38		206.31
Less: Allowance for Impairment Loss (B)		(70.19)		(70.19)
Total (A - B)		361.19		136.12

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(Rs. In Lakhs)

8 Other Financial Assets

Particulars	As at 31st March 2022	As at 31st March, 2021
Unsecured and Considered Good		
Rental Deposits	1.89	1.53
Fixed Deposit with Financial Institution*	155.79	50.35
Other Receivable	186.64	88.94
Total	**344.32**	**140.83**

[Note:*Represents deposits for the current Year Rs.155.79 lakh (As at 31st March 2021 :Rs. 50.35 lakh) held as margin money against loans availed by the Company.]

(Rs. In Lakhs)

9 Other non-financial assets

Particulars	As at 31st March 2022	As at 31st March, 2021
Prepaid Expenses	5.74	3.56
Staff Advances	0.02	0.01
Total	**5.76**	**3.57**

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10 Significant component of income tax expenses for the year ended March 31,2022 and March 31,2021 are as under:

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Current income tax	-	-
Deferred tax due to origination of temporary difference	127.38	(2.59)
Adjustments of earlier year tax	-	42.62
Total	**127.38**	**40.02**

10.1 Amounts recognised in other comprehensive income(OCI)

(Rs. In Lakhs)

Particulars	31st March 2022	31st March, 2021
(A) Remeasurements of defined benefit liability/ (asset)		
Before Tax	(4.61)	6.56
Tax Expense	1.20	(1.82)
Net of Tax	**(3.41)**	**4.74**
(B) Provision on Equity Investment (FVOCI)		
Before Tax	(15.00)	-
Tax Expense	3.90	-
Net of Tax	**(11.10)**	-
Total(A+B)	**(14.51)**	**4.74**

10.2 The details of income tax assets and liabilities and Deferred tax liabilities/asset :

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Advance Income Tax	1,379.28	1,247.65
Income Tax Provisions	(484.00)	(484.00)
Tax Recoverable (net)	895.27	763.65
Total	**895.27**	**763.65**
Deferred Tax (Liabilities) / Assets (Net)	261.67	383.95
Tax Credit Entitlement under MAT	101.64	101.64
Total	**363.31**	**485.58**

(Rs. In Lakhs)

10.3 Deferred Tax Assets / (Liabilities)

Particulars	As at 31st March 2022	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	MAT credit utilisation	As at 31st March, 2021	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	MAT credit utilisation	As at 31st March, 2020
Tax effect of items constituting deferred tax assets	44.69	12.03			32.66	(18.25)			50.91
Application of EIR on financial assets	20.58	(3.25)	1.20		22.63	3.38	(1.82)		21.07
Provision for employee benefits	169.71	(127.23)			296.94	(38.96)			335.90
Allowance for ECL	101.64				101.64			(37.52)	139.16
MAT credit entitlement	4.86	1.36	-	-	3.50	0.26			3.24
Property, plant and equipment / Intangible assets	-				-	-	-	-	-
Unabsorbed depreciation	21.83	(10.28)	3.90	-	28.21	15.74			12.48
Others	363.31	(127.37)	5.10	-	485.58	(37.83)	(1.82)	(37.52)	562.76
	-								
Tax effect of items constituting deferred tax liabilities	-				-	37.25			(37.25)
Application of EIR on financial liabilities	-				-	3.17			(3.17)
Others	-				-	40.42	-	-	(40.42)
	-	-	-	-					
	-				485.58	2.59	(1.82)	(37.52)	522.34
Net Deferred Tax Assets	363.31	(127.37)	5.10	-					

Deferred tax asset on unabsorbed depreciation has been recognised to the extent of future expected profit estimated considering the planned level of operations and borrowings that will generate sufficient future taxable income.

MAT credit entitlement is available for a period of 12 years as on 31/03/2022.

10.4 **A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:**

(Rs. In Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Accounting Profit Before tax	230.97	(1,146.52)
Normal / MAT tax rate	26.00	27.82
Tax liability on accounting profit	60.05	(318.96)
Tax Effect of Non deductible Expenses	(122.74)	(141.41)
Tax Effect of Deductible Expenses	(9.08)	4.55
Carried forward losses	71.76	455.82
Deferred tax on temporary differences	(127.38)	(2.59)
Adjustment of earlier year tax	-	42.62
Total income tax expense	(127.38)	40.02

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Notes forming part of the Financial Statements for the period ended 31st March 2022

11 Property Plant and Equipments

(Rs. In Lakhs)

Particulars	Gross block				Depreciation				Net block	
	As at 1st April, 2021	Additions	Disposals	As at 31st March 2022	As at 1st April, 2021	For the year	Disposals	As at 31st March 2022	As at 31st March 2022	As at 31st March, 2021
Furniture and fixtures	31.54	0.55	-	32.09	5.77	7.84	-	13.61	18.48	25.77
Office equipment	21.86	0.54	-	22.40	7.20	4.38	-	11.58	10.83	14.67
Computer	22.07	8.23	0.42	29.87	10.34	7.24	0.36	17.23	12.65	11.72
Electrical Installations	3.41	-	-	3.41	0.56	0.85	-	1.41	1.99	2.84
Leasehold Improvements	18.39	-	-	18.39	1.20	1.84	-	3.04	15.35	17.19
Vehicles	-	9.79	-	9.79	-	0.61	-	0.62	9.17	-
Total	97.27	19.11	0.42	115.95	25.07	22.76	0.36	47.49	68.47	72.18

(Rs. In Lakhs)

Particulars	Gross block				Depreciation				Net block	
	As at 31st March, 2020	Additions	Disposals	As at 31st March, 2021	As at 31st March, 2020	For the year	Disposals	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Furniture and fixtures	1.32	30.21	-	31.54	0.49	5.28	-	5.77	25.77	0.84
Office equipment	8.97	12.89	-	21.86	3.70	3.49	-	7.20	14.67	5.27
Computer	14.21	7.85	-	22.07	5.36	4.99	-	10.34	11.72	8.86
Electrical Installations	-	3.41	-	3.41	-	0.56	-	0.56	2.84	-
Leasehold Improvements	-	18.38	-	18.39	-	1.21	-	1.21	17.18	-
Total	24.50	72.74	-	97.27	9.55	15.53	-	25.08	72.18	14.97

12 Other Intangible Assets

(Rs. In Lakhs)

Particulars	Gross block				Depreciation				Net block	
	As at 1st April,2021	Additions	Disposals	As at 31st March 2022	As at 1st April,2021	For the year	Disposals	As at 31st March 2022	As at 31st March 2022	As at 31st March, 2021
Software	7.93	0.56	-	8.50	7.12	0.76	-	7.89	0.61	0.81
Total	7.93	0.56	-	8.50	7.12	0.76	-	7.89	0.61	0.81

(Rs. In Lakhs)

Particulars	Gross block				Depreciation				Net block	
	As at 1st April,2020	Additions	Disposals	As at 31st March, 2021	As at 1st April,2020	For the year	Disposals	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Software	7.93	-	-	7.93	5.37	1.76	-	7.12	0.81	2.57
Total	7.93	-	-	7.93	5.37	1.76	-	7.12	0.81	2.57

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12.1 Intangible Assets Under Development

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Intangible Assets Under Development	32.68	24.00
Total	**32.68**	**24.00**

12.1.1 Aging of Intengible asset under development

(Rs. In Lakhs)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31st March,2022
Projects in progress	8.68	8.18	8.46	7.36	32.68
Projects temporarily suspended	-	-	-	-	-

(Rs. In Lakhs)

Intangible assets under development	Amount in CWIP for a period of			Total
	1-2 years	2-3 years	More than 3 years	As at 31st March,2021
Projects in progress	8.18	8.46	7.36	24.00
Projects temporarily suspended	-	-	-	-

12.1.2 Intangible assets under development whose completion is overdue to its original plan :

As at 31st March, 2022

(Rs. In Lakhs)

Intangible assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	1.00	-	-	-

As at 31st March, 2021

(Rs. In Lakhs)

Intangible assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	8.68	1.00	-	-

13 Right of use assets

(Rs. In Lakhs)

Particulars	Buildings
As at 31st March, 2020	**177.26**
Addition during the year	-
Amortisation for the Year	17.87
As at 31st March, 2021	**159.38**
Addition during the year	
Amortisation for the Year	17.87
As at 31st March 2022	**141.51**

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14 Payables

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	101.83	47.43
Total	101.83	47.43

14.1 Disclosure in respect of Micro and Small Enterprises :

A	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
B	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
C	the amount of interest due and payable for the period 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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-
D	the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
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.	-	-

The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the MSMED Act. This has been relied upon by the auditors.

15 Lease Obligation

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Lease liabilities	161.61	167.18
Total	161.61	167.18

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16 Other Financial Liabilities

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
(a) Payable to capital creditors	-	-
(b) Payable for employee benefits		
(i) Gratuity (funded)	15.67	8.11
(c) Unspent amount of Poorest State Initiative Growth project	-	42.37
(d) Interest accrued but not due on borrowings	196.23	192.06
(e) Security Deposits (refer note 16.1)	2,760.66	2,688.23
(f) Other Liabilities	-	5.72
Total	**2,972.56**	**2,936.48**

Note 16.1 The Company accept security deposits up to 10 percent of the loan amount for the full tenure of the loan against the loan disbursed under wholesale finance and under BC/Colending Partnership.

17 Provisions

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Provision for employee benefits		
(i) Compensated absences	54.99	62.95
(ii) Performance linked incentive	8.49	10.29
Total	**63.48**	**73.24**

18 Other Non-financial liabilities

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
(a) Advance from customers	1.14	2.30
(b) Statutory Remittances	45.74	34.99
(c) Other Liability	1.20	0.14
Total	**48.08**	**37.44**

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19 Debt Securities

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Non-Convertible Debentures (At Amortised Cost)	3,625.00	3,812.50
Less: Unamortised Debenture Issue Expense	(7.81)	(12.70)
Total (A)	**3,617.19**	**3,799.80**
Debt Securities in India	3,617.19	3,799.80
Debt Securities outside India	-	-
Total (B)	**3,617.19**	**3,799.80**

Non Convertible debentures are secured by way of bookdebts to the extent of 110% of principal debt outstanding. The Debentures to Respa are issued on 23rd May 2019 with coupon rate @12.76% (net of taxes) payable semi-annually and Principal is payable over a period of three years. The Debentures are issued with a Put option which can be excercised at the end of 18 months. (i.e 23rd November 2020). The Debentures to UBI are issued on 30th June 2020 with coupon rate of 11% payable semi annually and principal is payable at the end of three years.

Non Convertible Debenture - instrument wise details

(Rs. In Lakhs)

Residual Maturity	As at 31st March 2022	As at 31st March, 2021
12.76%* Non Convertible Debentures. Date of Maturity 23rd May 2022	1,125.00	1,312.50
11.00%* Non Convertible Debentures. Date of Maturity 29th June 2023	2,500.00	2,500.00
Total (A)	3,625.00	3,812.50
Unamortised Transaction Costs(B)	(7.81)	(12.70)
Total (A)+(B)	3,617.19	3,799.80

* Net of taxes

19 Borrowings (Other than Debt Securities)

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
(a)Term loans (Secured)		
(i)from banks (At Amortized Cost)	5,446.09	5,617.53
(ii)from other parties (At Amortized Cost)	14,790.22	7,650.12
Less: Unamortised transaction costs_Borrowings	(107.28)	(60.51)
Total	**20,129.02**	**13,207.14**
(b) Borrowing under Securitization	2,174.85	-
Less: Unamortised transaction costs_Borrowings	-	-
	2,174.85	-
(C)Loans repayable on demand		
(i)from banks (At Amortized Cost)_on demand	0.58	0.32
(i)from other parties (At Amortized Cost)_on demand	-	-
Total (A)	**22,304.45**	**13,207.46**
Borrowings in India	22,304.45	13,207.46
Borrowings outside India	-	-
Total (B)	**22,304.45**	**13,207.46**

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(Rs. In Lakhs)

Terms and Conditions of Borrowings

Name of the lender	As at 31st March 2022	As at 31st March, 2021	Residual Maturity	Rate of Interest
Secured term loans from banks (Refer Note 19.1)				
Union Bank of India	432.66	946.95	Less Than 12 Months	9.70% - 10.00%
Bandhan Bank Ltd	1,000.00	428.57	1-3 years	12.50%
IDFC First Bank Ltd	1,609.43	2,681.01	1-3 years	10.65% - 12.50%
National Bank for Agriculture and Rural Development	500.00	1,000.00	Less Than 12 Months	8.80%
Micro Units Development & Refinance Agency Limited	189.00	561.00	Less Than 12 Months	11.50%
SIDBI	1,715.00	-	Less Than 12 Months	6.85%
Total (A)	5,446.09	5,617.53	-	-
Secured loan from others (Refer Note 19.1)				
Nabkisan Finance Ltd	773.61	540.51	1-3 years	11.5% -12.00%
Nabard Financial Services Limited	709.02	837.61	1-3 years	13.50%-13.75%
Vivriti Capital Private Limited	2,883.33	1,171.36	1-3 years	12.94%-13.50%
Eclear Leasing & Finance Pvt Ltd	1,287.24	963.65	1-3 years	14.00%
Caspian Impact Inv Pvt Ltd	458.33	750.00	Less Than 12 Months	13.50%
MAS Finance Services Ltd	2,041.67	958.33	1-3 years	12.00%
Western Capital Advisors Pvt ltd	320.83	700.00	Less Than 12 Months	14.00%
Nabsamruddhi Finance Limited	1,660.04	749.34	1-3 years	12.50%
Maanveeya Development & Finance Pvt.ltd.	1,354.28	979.24	1-3 years	13.10%-13.75%
Samunnati	600.00	-	1-3 Years	14.00%
Northern Arc	1,312.83	-	1-3 Years	13.50%
Incred	1,389.03	-	1-3 Years	13.75%
MAS Finance PTC	468.39	-	Less Than 12 Months	12.00%
MAS Finance PTC-2	1,706.46	-	1-3 Years	12.00%
Total (B)	16,965.07	7,650.12		
Unamortised Transaction Costs (C)	(107.28)	(60.51)		
Total (A + B + C)	22,303.88	13,207.14		

Notes:

Note 19.1 Secured loans are Secured by way of Fixed deposit, Units of Mutual Fund and exclusive charge created against book debt.

Note 19.2 The Company has not defaulted in repayment of Principal as well as Interest in terms of borrowings outstanding as at Balance sheet Date.

Note 19.3 Borrowings have been measured at Amortised Cost. There are no borrowings measured at FVTPL or designated as FVTPL as at Balance sheet Date.

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20 Share capital

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Authorised:		
Class A : 13,50,00,000 (As at 31st March 2021 :13,50,00,000) Equity Shares of Rs. 10 each.	13,500.00	13,500.00
Class B : 1,00,00,000 (As at 31st March 2021 : 1,00,00,000) Equity Shares of Rs. 10 each	1,000.00	1,000.00
5,50,00,000 (As at 31st March 2021 : 5,50,00,000) Preference Shares of Rs. 10 each	5,500.00	5,500.00
Total	**20,000.00**	**20,000.00**
Issued, subscribed and paid-up:		
6,60,29,214 (As at March 31, 2021: 6,60,29,214) Equity Shares of Rs. 10 each Class A, fully Paid-up	6,602.92	6,602.92
Total	**6,602.92**	**6,602.92**

(Rs. In Lakhs)

20.1 **Reconciliation of Shares outstanding at the beginning and at the end of the reporting period:**	As at 31st March 2022		As at 31st March, 2021	
Particulars	Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
Equity Shares				
At the Commencement of the year	6,60,29,214.00	6,602.92	6,60,29,214.00	6,602.92
Movement During the year	-	-	-	-
Total Equity Shares at the end of the year	**6,60,29,214.00**	**6,602.92**	**6,60,29,214.00**	**6,602.92**

20.2 Rights, Preferences and restrictions attached to Equity Shares

1. The Company has two class of Equity Shares having a par value of Rs. 10 per Equity Share. All Equity Shares rank equally with regard to dividends and share in the Company's residual assets. **Class A** Equity Shares have all rights and privileges available to an ordinary Equity Shareholder. **Class B** Equity Shares entitle its holders, over and above all rights and privileges available to an ordinary Equity Shareholder, also to a special right with respect to the Bonus Equity Shares allotted by the Company from time to time.

2. The Equity Shares are entitled to receive dividend as declared from time to time subject to payment of dividend to Preference Shareholders.

3. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of Equity Shares held.

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20.3 Particulars of Shareholder holding more than 5% of Equity Shares of Rs.10 each fully paid up:

Name of the Shareholder	As at 31st March, 2022		As at 31st March, 2021	
	Number of Shares	% of holding	Number of Shares	% of holding
Class A				
Gojo & Company Inc.	4,64,63,079	70.37%	4,64,63,079	70.37%
Sudha Kapurchand Kothari - as a trustee of Indian Foundation for Inclusive Growth	36,91,570	5.59%	36,91,570	5.59%
Stichting Capital 4 Development	1,57,81,701	23.90%	1,57,81,701	23.90%
Total	6,59,36,350	99.86%	6,59,36,350	99.86%

20.4 Shares held by promoters:

As at 31st March, 2022

Promoter name	No. of Shares	% of total shares	% change during the year
Biswaroop Das	910.00	0.001%	0%
Jayshree Vyas	910.00	0.001%	0%
Indian Foundation for Inclusive Growth	36,91,570.00	5.59%	0%
Gojo & Company Inc.	4,64,63,079.00	70.37%	0%

As at 31st March, 2021

Promoter name	No. of Shares	% of total shares	% change during the year
Biswaroop Das**	910.00	0.001%	0%
Jayshree Vyas	910.00	0.001%	0%
Indian Foundation for Inclusive Growth	36,91,570.00	5.59%	10.4%
Gojo & Company Inc.	4,64,63,079.00	70.37%	15.37%

** The shares have been transmitted to Mr. Biswaroop Das vide Board Resolution dated 25th June 2020

20.5 Aggregate number of Shares issued other than cash, during the period of 5 years immediately preceding the reporting date

Particulars	Aggregate No. of Share as at 31st March 2022	Aggregate No. of Share as at 31st March 2021	Aggregate No. of Share as at 31st March 2020	Aggregate No. of Share as at 31st March 2019	Aggregate No. of Share as at 31st March 2018
Fully paid up Equity Shares issued as bonus Shares.	1,44,62,605.00	1,44,62,605.00	1,44,62,605.00	1,44,62,605.00	1,17,31,299.00

Note:-On 18th December 2018, the Company issued 27,31,306 bonus Shares to Class B Equity Shareholders in the ratio of 1.5 Shares for every 1 Share held by the Shareholders.

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21 Other Equity

(Rs. In Lakhs)

Particulars	Reserves and Surplus					Total
	Statutory Reserves	Securities Premium	Retained Earnings	Stock options otstanding account	Equity Instruments through Other Comprehensive Income (net of tax)	
As at 31st March, 2020	**354.23**	**3,106.09**	**412.33**	-	-	**3,872.65**
Net Profit for the year	-	-	(1,186.53)	-	-	(1,186.53)
Remeasurement of the net defined benefit liability/asset(net of tax)	-	-	4.74	-	-	4.74
As at 31st March, 2021	**354.23**	**3,106.09**	**(769.45)**	-	-	**2,690.86**
Net Profit for the year	-	-	103.60	-	-	103.60
Transferred from Retained earnings to Statutory Reserves	20.72	-	(20.72)	-	-	-
Remeasurement of the net defined benefit liability/asset(net of tax)	-	-	(3.41)	-	-	(3.41)
Movement during the year	-	-	-	14.75	(11.10)	3.65
As at 31st March 2022	**374.95**	**3,106.09**	**(689.98)**	**14.75**	**(11.10)**	**2,794.70**

Description of the nature and purpose of Other Equity :

Statutory reserve

Special Reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). In terms of Section 45-IC of the RBI Act, a Non-Banking Finance Company is required to transfer an amount not less than 20 per cent of its net profit to a Reserve Fund before declaring any dividend. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

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22 Interest Income

(Rs. In Lakhs)

Particulars	31st March 2022	31st March, 2021
On Financial Assets measured at Amortized Cost		
Interest on Loans	3,787.40	3,433.81
Interest on deposits with Banks	149.51	229.62
Interest on Unwinding of Security Deposit	0.19	0.16
Total	**3,937.10**	**3,663.59**

23 Net gain on fair value changes

(Rs. In Lakhs)

Particulars	31st March 2022	31st March, 2021
Net Gain on financial instruments at fair value through profit or loss		
On Trading Portfolio		
- Investments	29.28	4.54
	29.28	**4.54**
Fair Value Changes:		
(i) Realised	39.22	-
(ii) Unrealised	(9.93)	4.54
Total	**29.28**	**4.54**

24 Net Gain / (Loss) on derecognition of financial instruments under amortised cost category

(Rs. In Lakhs)

Particulars	31st March 2022	31st March, 2021
On Financial Assets measured at Amortized Cost		
Bad debts written off (net)	(747.23)	(1,976.68)
Total	**(747.23)**	**(1,976.68)**

25 Other Income

(Rs. In Lakhs)

Particulars	31st March 2022	31st March, 2021
Interest on Income Tax Refund	-	35.22
Miscellaneous Income	42.25	35.79
Gain on Sale of property, plant and equipment	0.11	-
Total	**42.36**	**71.01**

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Ananya Finance for Inclusive Growth Private limited
Notes forming part of the Financial Statements for the period ended 31st March 2022

26 Finance Costs

(Rs. In Lakhs)

Particulars	31st March 2022	31st March, 2021
On Financial Liabilities measured at Amortised Cost		
Interest on borrowings other than debt securities	1,891.01	1,688.90
Interest on debt securities	435.43	396.70
Interest on Other Financial Liabilities (Security Deposit)	125.88	196.60
Interest expense on Lease Liabilities	21.66	22.26
Other borrowing cost	0.21	14.53
Total	**2,474.19**	**2,318.99**

Note:- There is no financial liability measured at FVTPL.

27 Fees and Commission Expense

(Rs. In Lakhs)

Particulars	31st March 2022	31st March, 2021
Service Fees	161.22	-
Total	**161.22**	-

28 Impairment on financial instruments/(Reversal of Impairment)

(Rs. In Lakhs)

Particulars	31st March 2022	31st March, 2021
Loans (At Amortized Cost)	(414.62)	(69.85)
Total	**(414.62)**	**(69.85)**

29 Employee Benefits Expenses

(Rs. In Lakhs)

Particulars	31st March 2022	31st March, 2021
Salaries and wages	497.72	364.36
Contribution to provident and other funds	37.38	28.16
Contribution to Gratuity Fund	10.72	12.55
Share based payments to employees	14.30	-
Compensated Absences	7.19	20.26
Staff welfare expenses	8.32	6.50
Total	**575.63**	**431.83**

30 Other expenses

(Rs. In Lakhs)

Particulars	31st March 2022	31st March, 2021
Rent, taxes and energy costs	17.18	24.16
Repairs and maintenance	6.52	1.86
CSR Expenditure	-	11.50
Communication Costs	5.98	5.72
Printing and stationery	0.60	0.77
Advertisement and publicity	2.95	1.74
Director's fees, allowances and expenses	11.33	11.40
Auditor's fees and expenses	18.37	29.26
Legal and Professional charges	72.78	65.13
Insurance	2.36	5.54
Software Expense	4.36	-
Office Expenses	8.48	5.94
Travelling Expenses	29.11	14.85
Miscellaneous Expense	12.71	14.98
Total	**192.73**	**192.85**

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31 Disclosure as required by Indian Accounting Standard (IND-AS) 33 Earnings per Share

(Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Net profit/(loss) for the year for basic EPS	103.60	(1186.53)
Net profit/(loss) for the year for diluted EPS	118.35	(1186.53)
Weighted average no. of shares (In nos.) for basic EPS	660.29	660.29
Additional shares granted under ESOP scheme (In nos.)	56.42	-
Weighted average no of shares for diluted EPS	716.71	660.29
Face value of equity shares	10.00	10.00
Earning Per Share (Basic)	**0.16**	**(1.80)**
Earning Per Share (Diluted)	**0.16**	**(1.80)**

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32 Corporate Social Responsibility (CSR) Expenditure

(Rs. in lakhs)

	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
(i) Amount required to be spent by the company during the year	NA	9.00
(ii) Amount of expenditure incurred		11.50
(a) Construction / Acquition of any asset		-
(b) On purpose other than (a) above		11.50
(iii) Shortfall at the end of the year		-
(iv) Total of previous years shortfall		-
(v) Reason for shortfall		NA
(vi) Nature of CSR activities		-
(a) Nuturing women enterpreneurship		9.00
(b) Covid-19 revitalization project-2020		2.50
(vi) Transaction with related parties		-
(vii) Provision for CSR expense		-

33 Contingent liability

(Rs. In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Claims against the company not acknowledge as debt - Income Tax	879.32	820.96

Management is of the view that no liability shall arise on the company for any of the income tax related litigations.
In the case mentioned above, outflow is not probable and hence not provided by the Company.

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34 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.
The CODM considers the entire business of the Company on a holistic basis to make operating decisions reviews the operating results of the Company as a whole. Further the Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of Ind AS 108 "Operating segments", and is considered to be the only reportable business segment. Further,
The Company is operating in India which is considered as a single geographical segment.

35 Leases

The Company has taken office premises under lease. The lease terms in respect of such premises are on the basis of individual agreement entered into with the respective landlords. The Company has given refundable interest free security deposits in accordance with the agreed terms. All the leases of the company are short term lease (i.e. tenure of less than 1 year) except one lease with a tenure of 10 years and a lock in of 6 years. Maturity Analysis of such lease is as stated below

Maturity Analysis of Lease Liabilities

(Rs. In Lakhs)

Particulars	Upto 3 months	Over 3 months upto 1year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
As at 31st March, 2022	7.12	21.47	61.54	67.85	111.53	269.52
As at 31st March, 2021	6.78	20.45	58.61	64.62	146.29	296.75

Lease Liability movement

(Rs. In Lakhs)

Particulars	Lease Liability
As at 1st April, 2020	**170.86**
Addition during the year	-
Interest on Lease Liability	22.26
Lease rent paid for the year	(25.94)
As at 31st March, 2021	**167.18**
Addition during the year	-
Interest on Lease Liability	21.66
Lease rent paid for the year	(27.23)
As at 31st March, 2022	**161.61**

Amount Recognised in Statement of Profit & Loss

(Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Interest on Lease Liabilities	21.66	22.26
Amortisation of ROU Assets	17.87	17.87
Expense related to Short-term Leases	2.25	9.21

Amount Recognised in Statement of Cash Flows

(Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Under Financing activities (Repayment of lease liability)	27.23	25.94
Under Operating activities (Short term leases)	2.25	9.21
Total cash outflow for leases	**29.48**	**35.15**

Lease Commitments for short-term leases

The Company has entered into Short term leases for office premises, tenure of which is less than a year. There are no obligations or commitments with reference to such short term leases as at reporting date as such leases are cancellable at the discretion of lessee i.e. the Company.

36 Payment to Auditors (Excluding GST)

(Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Audit fees	13.00	25.00
Certification services	3.85	0.95
Reimbursement of expenses	-	0.90
Total	**16.85**	**26.85**
Goods and Services Tax on above (Refer Note Below)	1.52	2.42
Total	**18.37**	**29.27**

Company being NBFC can avail only 50% of available credit of GST paid on audit fee

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37 Related party disclosures

(a) Names of related party and nature of relationship

Names	Nature of relationship
Gojo & Company	Parent Company
Satya Micro Capital Ltd	Entity over which parent has significant influence
Stichting Capital 4 Development	Entity having significant influence over the company
Gaurav Gupta -Managing Director from 01.02.2020	Key Management Personnel ("KMP")
Rekha Singhal - Chief Financial Officer upto 18.01.2021	Key Management Personnel ("KMP")
Pranav Desai - Chief Financial Officer from 19.01.2021	Key Management Personnel ("KMP")
Lavina Parikh - Company Secretary	Key Management Personnel ("KMP")

(b) Particulars of related party transactions

(Rs. In Lakhs)

Name of the related party	Nature of transactions	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Gaurav Gupta -Managing Director from 01.02.2020	Salary	52.81	52.81
Gaurav Gupta -Managing Director from 01.02.2020	Leave Encashment	6.72	-
Rekha Singhal - Chief Financial Officer upto 18.01.2021	Salary	-	14.71
Pranav Desai - Chief Financial Officer from 19.01.2021	Salary	45.00	8.94
Lavina Parikh - Company Secretary	Salary	7.44	6.24
Satya Micro Capital	Loan given	-	300.00
	Loans Principal Collection	-	1,737.50
	Loans Interest Income	-	184.57
	Commission Expenses	1.04	-
	Processing Fee Income	-	3.00
	Security Deposit Received	1,118.11	660.00
	Security Deposit Repaid	-	90.00
	Interest Expense on Security Deposit	49.56	11.78

Related parties as defined under para 9 of Ind AS 24 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company.

(Rs. In Lakhs)

Name of the related party	Closing balance as on	
	31st March, 2022	31st March, 2021
Satya Micro Capital		
Outstanding Principal balance	-	-
Security Deposit balance	1,763.11	645.00
Interest Accrued on Security Deposit	50.71	6.11
Amount Receivable for BC Portfolio	139.89	20.97
Commission Expense Payable	0.18	-
Gaurav Gupta -Managing Director from 01.02.2020		
Deferred Performance Linked Incentives	6.42	6.42

(c) Details of related party transactions with Key Management Personnel (KMP) are as under :

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company or its employees. The Company considers its Managing Director , Chief Financial Officer and Company Secretary to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

(Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Name of the KMP :		
Gaurav Gupta -Managing Director from 01.02.2020		
Nature of transactions :		
Gross Salary including perquisites	52.81	52.81
Leave Encashment	6.72	-
Rekha Singhal - Chief Financial Officer upto 18.01.2021		
Nature of transactions :		
Gross Salary including perquisites	-	14.71
Pranav Desai - Chief Financial Officer from 19.01.2021		
Nature of transactions :		
Gross Salary including perquisites	45.00	8.94
Lavina Parikh - Company Secretary		
Nature of transactions :		
Gross Salary including perquisites	7.44	6.24

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38 Share Based Payments

38.1 Stock Appreciation Rights (SAR)

Brief of the Scheme

The Ananya SAR plan is a 'performance-based' plan that entitles the current and future employees who meet a certain eligibility criteria to the appreciation in value of Ananya shares over the 'Exercise price' over a specified period of time. The selection of the employees and implementation of the plan shall be done by the HR committee with the required approvals from the Board and the Shareholders.

Plan features:-

Vesting date - The last day of the financial year immediately preceding the date on which the Board approves the SAR.
Base Price - The price at which the last equity investment was made in the 2 financial years ending on the vesting date or the Book value on the vesting date, whichever is higher.
Term - 7 years from the date of vesting after which the SAR cannot be exercised
Expiry date - 7 years from the date of vesting
Lock-in period - The period of 3 years from the Vesting date during which time the SAR cannot be exercised

Details of SAR Payment

(Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Share based payments to employees	(1.35)	-

Movement of Liability / Provision

(Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Outstanding at the beginning of the Year	10.29	10.29
Add: Charged to / (reversal of expense) statement of P&L	(0.45)	-
Less: Liability paid	1.35	-
Outstanding at the end of the Year	**8.49**	**10.29**

38.2 Employee Stock option plan (ESOP)

The company has also granted 56,41,774 Equity shares to employees under 'Employee Stock Option Plan'. Details of the same as follows:

During the year ended March 31, 2022, the following stock option grants were in operation:	
Particulars	**Tranche I**
Date of Grant	February 14,2022
No. of options granted	56,41,774
Method of Settlement	Equity
Graded Vesting period:	
Day following the completion of 12 months from grant	10.00%
Day following the completion of 24 months from grant	20.00%
Day following the completion of 36 months from grant	70.00%
Exercise Period	36 months from the respective date of vesting
Vesting conditions	Continued employment/service with the company on relevant date of vesting and on achievement of certain milestones decided by committee apart from this Committee may also specify certain other performance criteria.
Average remaining contractual life (Years)	2
Average exercise price per option (₹)	20.38
Fair value of Shares (₹)	20.38
Value of Option (₹)	5.01

The expected price volatility is based on historic volatility (based on remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

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Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employee Stock Option Plan		
Options outstanding at beginning of the year (No. of Options)	-	-
Granted during the year	56 41 774	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding during the year	56 41 774	-
Exercisable at the end of the year	-	

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Stock options outstanding (gross)	282.45	-
Deferred compensation cost outstanding	14.75	-
Stock options outstanding (Net)	267.69	-

38.3 Expense arising from share based payment transactions

Total expense arising from share based payment transactions recognised in profit and loss as part of employee benefit expense were as follows:

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Employee stock option plan	14.75	-
Total	**14.75**	**0.00**

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39 Fair Value Measurements:

a) Measurement of fair values:

(i) Levels 1, 2 and 3

Level 1 : Mutual Funds are measured based on the published net asset value (NAV) by AMFI and are included in level 1

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 entity-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.

(ii) There have been no transfers between Level 1 and Level 2 during the years.

b) Accounting classification and fair values

The following table analyses financial instruments measured at fair value at the reporting date along with Accounting classification of the same, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

Valuation methodologies of financial instruments measured at fair value

Mutual Funds

Mutual Funds are measured based on the published net asset value (NAV) by AMFI and are classified as level 1

Below are the valuation methodologies and assumptions used to determine fair value for the financial instruments which are not recorded and measured at fair value in the company's financial statements.

Loans

The fair values of instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/proxy yields of identical or similar instruments through the discounting factor.The maturity date for Instruments where credit risk has increased significantly and credit not impaired are assumed to be post six months from Financial year end. The Fair value for Instruments ,which are credit impaired, is assumed as carrying value less provision for expected credit loss.The fair value are calculated for disclosure purpose only.

Borrowings (Other than Debt Securities)

The fair values of fixed interest rate instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the estimated/proxy yields by using current market interest rate being charged for new borrowings through the discounting factor. while fair value of floating rate instruments is deemed to equal to its carrying value.The fair value are calculated for disclosure purpose only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term nature, the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and bank balances, trade receivables, other receivables, balances other than cash and cash equivalents and trade payables. For debt securites with maturity of less than one year fair value is considered same as carrying value.

Investments

The fair value of Investments in preference share approximates the carrying value less impairment while the fair value of Invesment in Equity Shares is considered based on the management's plan of the susequent investment in same equity shares in near future and are classified as level 3

As at
31st March, 2022

(Rs. In Lakhs)

Particulars	Carrying Value				Fair Value			
	Amortized Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents*	4,410.88	-	-	4,410.88				-
Other Bank Balance*	1,031.85	-	-	1,031.85				-
Loans	31,010.97	-	-	31,010.97			27,445.20	27,445.20
Investments	-	51.19	310.00	361.19	51.19		310.00	361.19
Other Financial assets*	344.32	-	-	344.32				-
Total Financial Assets	**36,798.01**	**51.19**	**310.00**	**37,159.20**	**51.19**	**-**	**27,755.20**	**27,806.39**
Trade Payables*	101.83	-	-	101.83				-
Lease liability*	161.61	-	-	161.61				-
Debt Securities*	3,617.19	-	-	3,617.19			3,616.90	3,616.90
Borrowings (Other than Debt Securities)	22,304.45	-	-	22,304.45			22,308.96	22,308.96
Other financial liabilities*	2,972.56	-	-	2,972.56				-
Total Financial Liabilities	**29,157.65**	**-**	**-**	**29,157.65**	**-**	**-**	**25,925.85**	**25,925.85**

* Fair Value of Cash & Cash equivalents , other bank Balance. Other financial assets, Trade payables, lease laibility , Debt Securities and Other financial liabilities approximates the carrying cost.

As at
31st March, 2021

(Rs. In Lakhs)

Particulars	Carrying Value				Fair Value			
	Amortized Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents*	1,584.95	-	-	1,584.95	-	-	-	-
Other Bank Balance*	1,131.03	-	-	1,131.03	-	-	-	-
Loans	25,060.71	-	-	25,060.71	-	-	24,248.33	24,248.33
Investments	-	61.12	75.00	136.12	61.12	-	75.00	136.12
Other Financial assets*	140.83	-	-	140.83	-	-	-	-
Total Financial Assets	**27,917.52**	**61.12**	**75.00**	**28,053.64**	**61.12**	**-**	**24,323.33**	**24,384.45**
Trade Payables*	47.43	-	-	47.43	-	-	-	-
Lease liability*	167.18	-	-	167.18	-	-	-	-
Debt Securities*	3,799.80	-	-	3,799.80			-	-
Borrowings (Other than Debt Securities)	13,207.46	-	-	13,207.46	-	-	13,207.12	13,207.12
Other financial liabilities*	2,936.48	-	-	2,936.48	-	-	-	-
Total Financial Liabilities	**20,158.35**	**-**	**-**	**20,158.35**	**-**	**-**	**13,207.12**	**13,207.12**

* Fair Value of Cash & Cash equivalents , other bank Balance. Other financial assets, Trade payables, lease laibility , Debt Securities and Other financial liabilities approximates the carrying cost.

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40 Financial Risk Management:

Risk Management

The company has a well-defined risk management framework to identify, assess and monitor risks and strengthen controls to mitigate risks. The company has established procedures to periodically place before the Risk Management Committee and Board of Directors, the risk assessment and minimisation procedures being followed by the company and steps taken by it to mitigate these risks. The Risk Management processes has been established across the company and are continuously reviewed improved and adapted to the changing risk landscape.

The company's Risk Management practices are guided by its internal credit and exposure policies and standard operating procedures that have been designed to be commensurate with its business of lending in the Retail, Microfinance, Agrifinance and MSME segments, and endeavours to manage the various risks in the business including Credit risk, Liquidity risk, Market risk, Operational risk and Strategic risks.

(A) Credit risk

Credit Risk is the risk of loss that may occur from defaults by Borrowers under loan agreements. The company has a comprehensive framework for monitoring credit quality of its portfolio based on days past due monitoring at period end. Repayment by customers is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Around 85% of the company's exposure is either to direct retail borrowers or through other financial intermediaries operating in the Microfinance industry, that lend to women from low-income households. The remaining 15% of its exposure is almost equally divided into two segments – (i) Agrifinance, where the company supports smallholder farmer collectives (FPO) and Agri-SMEs working with smallholder farmer collectives and (ii) Early-stage MSMEs that work in the impact space including renewable energy, waste management, affordable healthcare and livelihoods.

Thus, the company is directly and indirectly exposed to borrowers typically having limited sources of income, savings and credit histories and the loans are typically provided free of collateral. The borrowers generally do not have a high level of financial resilience and as a result they can be adversely affected by declining economic conditions and natural calamities.

The company also tries to lower the credit risk by ensuring the portfolio is well-diversified both geographically and client-wise. It has placed various portfolio concentration limits and ensures it adheres to the caps.
The company reviews the credit quality of its loans based on the ageing of the loan at the period end and takes the same into consideration while calculating its ECL allowances.

The company has, based on current available information and based on the policy approved by the Board of Directors, determined the provision for impairment of financial assets.

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 lending business to varied category of corporates and retail borrowers, 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.

Credit quality analysis

The following tables sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

(Rs. In Lakhs)

Particulars	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured using simplified approach/ cost	Total as on 31st March, 2022
Cash and cash equivalents				4,410.88	4,410.88
Bank Balance other than (a) above	-	-	-	1,031.85	1,031.85
Loans*	28,364.79	150.21	582.89	0.67	29,098.56
Investments	-	-	-	70.19	70.19
Other Financial assets	-	-	-	344.32	344.32

*Loans comprises of outstanding principal, interest accrued but not due less security deposit

(Rs. In Lakhs)

Particulars	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured using simplified approach/ cost	Total as on 31st March, 2021
Cash and cash equivalents	-	-	-	1,584.95	1,584.95
Bank Balance other than (a) above	-	-	-	1,131.03	1,131.03
Loans*	20,847.67	1,278.21	1,670.15	1.04	23,797.08
Investments	-	-	-	70.19	70.19
Other Financial assets	-	-	-	140.83	140.83

*Loans comprises of outstanding principal, interest accrued but not due less security deposit

Financial assets measured using simplified approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on cash and cash equivalents, bank balances, Investments, and other financial assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

(B) Collateral held

The Company holds collateral and other credit enhancements against certain of its credit exposures. The loans are collateralized against security deposits, equitable mortgage of property, hypothecation of assets, personal guarantees, corporate guarantees etc

(C) Impairment Loss

The following table shows reconcilation from opening balance to closing balance of the loan loss allowances

(Rs. In Lakhs)

Particulars	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Gross loan exposure at risk as at 31st March, 2021	20,847.67	1,278.21	1,670.15	23,796.04
Expected Credit Loss	228.45	57.51	781.40	1,067.36
Carrying amount as at 31st March, 2021 (net of impairment provision)	**20,619.22**	**1,220.70**	**888.75**	**22,728.68**
Gross loan exposure at risk as at 31st March, 2022	28,364.79	150.21	582.89	29,097.89
Expected Credit Loss	152.19	15.02	485.53	652.76
Carrying amount as at 31st March, 2022 (net of impairment provision)	**28,212.60**	**135.19**	**97.35**	**28,445.14**

Reconciliation of Gross Exposure

(Rs. In Lakhs)

Particulars	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Gross carrying amount balance as at 1st April, 2020	**23,957.77**	**488.74**	**2,183.82**	**26,630.33**
- New loans disbursed during the year	17,667.00	837.41	253.20	18,757.60
- Loans closed/written off during the year	(10,385.70)	(234.16)	(1,343.43)	(11,963.29)
- Movement in EAD without change in asset staging	(8,174.70)	-	(175.83)	(8,350.53)
- Movement in EAD due to change in asset staging	(2,216.70)	186.23	752.39	(1,278.07)
Gross carrying amount balance as at 31st March, 2021	**20,847.67**	**1,278.21**	**1,670.15**	**23,796.04**
- New loans disbursed during the year	25,046.84	-	38.12	25,084.97
- Loans closed/written off during the year	(11,301.04)	(1,087.56)	(875.89)	(13,264.49)
- Movement in EAD without change in asset staging	(5,564.44)	-	(414.48)	(5,978.91)
- Movement in EAD due to change in asset staging	(664.24)	(40.44)	164.98	(539.71)
Gross carrying amount balance as at 31st March, 2022	28,364.79	150.21	582.89	29,097.89

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Reconciliation of ECL Balance

(Rs. In Lakhs)

Particulars	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
ECL Allowance as at 1st April, 2020	**276.26**	**17.62**	**843.33**	**1,137.21**
- New loans disbursed during the year	153.04	7.49	119.78	280.31
- Loans closed/written off during the year	(17.19)	(9.37)	(326.23)	(352.79)
- Movement in position without change in asset staging	(139.14)	(2.14)	(217.65)	(358.93)
- Movement in position due to change in asset staging	(44.52)	43.91	362.17	361.56
ECL Allowance as at 31st March, 2021	**228.45**	**57.51**	**781.40**	**1,067.36**
- New loans disbursed during the year	129.78	-	23.26	153.04
- Loans closed/written off during the year	(141.77)	(38.44)	(429.63)	(609.84)
- Movement in position without change in asset staging	(58.97)	-	28.00	(30.96)
- Movement in position due to change in asset staging	(5.30)	(4.05)	82.49	73.14
ECL Allowance as at 31st March, 2022	**152.19**	**15.02**	**485.53**	**652.75**

(D) Write off

Contractual amount outstanding on financial assets that were written off (net of recovery) during the reporting period is Rs. 747.23 lakhs (P.Y. Rs. 1976.68Lakhs).

(E) Modified financial instruments

For financial assets, such as a loan to a customer, when the term and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognisation), the Company had disclosed modification gain/loss based on discounted cash flows.

(Rs. In Lakhs)

Particulars	FY 2021-22	FY 2020-21
Value of modified assets at the time of modification	-	920.32
Value of modified assets outstanding at end of the year	-	843.26
Modification loss	-	2.87

The above modification is in accordance with the provisions defined in the Master Direction Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 Circular No DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016 (updated as on February 17, 2020)

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(F) Credit risk grading of loans

Credit Risk Grading is an important tool for credit risk management as it helps in understanding and evaluating risks for different credit transactions.
The Company has established overall credit limits at the level of individual borrowers and counterparties, and also at the group levels of the company. It manages and controls credit risk by confining the amount of risk it is willing to accept for company counterparties, for geographical concentrations, and by closely monitoring such exposures.

Company has a Credit Risk Policy which is Board approved and shared with all credit approving authorities. All customers will be evaluated on a set of pre-defined parameters as detailed below and accordingly assessed for the following risk categories:
1. Low Risk
2. Medium Risk
3. High Risk – This category of customers are not actively sourced by the company. Any customer, assessed as High Risk, can be funded by the company basis exceptional comfort and availability of justifying mitigants. The extent and nature of due diligence is the highest for this category.

The assessment of a customer being classified into high, medium or low is based on various parameters at the time of on-boarding which are captured in the Credit Processing Note by the credit department and validated by the relevant approving authority. The parameters are as follows:
1. Customer Profile
2. Financial health
3. Business vintage
4. Credit history
5. Industry feedback
6. Other qualitative/ quantitative factors as mentioned in the policy

Company's Risk Management practices are guided by its internal credit and exposure policies and standard operating procedures that lays down steps to manage the various risks in the business including Credit risk.

Additionally, the Company evaluates risk based on staging as defined in Ind AS, details of which are mentioned below.

Credit grading details **(Rs. In Lakhs)**

Period	Stage 1	Stage 2	Stage 3	Total EAD
31st March, 2022	28,364.79	150.21	582.89	29,097.89
31st March, 2021	20,847.67	1,278.21	1,670.15	23,796.04

(G) Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across various products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Company does not have concentration risk

Transferred financial assets that are derecognised in their entirety

There is no transfer of Financial assets resultiing into derecognization of Financial asset in current and previous year.

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(H) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, deposits, investments and loans.

Within the various methodologies to analyze and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 50-basis points of the interest rate yield curves in major currencies.
- 10% increase / decrease in NAV of all Mutual Funds traded in an active market, which are classified as financial asset measured at FVTPL.
- 10% increase / decrese in fairvalue of investment in equity shares, which are classified as financial asset mesured at FVOCI

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit and loss may differ materially from these estimates due to actual developments in the global financial markets.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

(i) 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 seeks to mitigate such risk by maintaining an adequate proportion of floating and fixed interest rate borrowings. Summary of financial assets and financial liabilities that are exposed to Interest Rate Risk has been provided below:

Exposure to interest rate risk

(Rs. In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Floating Rate Borrowings		
Financial Liabilities	7,575.25	3,863.61

All loans disbusred by the Company are on fixed rate of interest .

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 50 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Impact on Profit / (loss) after tax (Rs. In Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Increase in 50 basis points	(28.03)	(13.94)
Decrease in 50 basis points	28.03	13.94

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(I) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing from both banks and financial institutions at an optimised cost. The Company has the discretion over disbursement of any undrawn portion of sanctioned loans to its borrower i.e. borrowers don't have an unconditional drawdown right over undrawn portion of the sanctioned loan and hence company is not expecting any liquidity risk in terms of undrawn sanctioned limits.

The table below analyses non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

(i) Maturities of financial liabilities

(Rs. In Lakhs)

Particulars	Carrying amount	1 day to 30/31 day (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months upto 6 months	Over 6 months upto 1year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years
As at 31st March, 2022									
Financial Liabilities									
Trade Payables	101.83	82.82	0.34	13.72	1.42	3.53	-	-	-
Lease Liability	161.61	0.60	0.61	0.62	1.89	4.08	23.85	38.13	91.85
Debt Securities	3,617.19	-	1,122.58	-	-	-	2,494.61	-	-
Borrowings (Other than Debt Securities)	22,304.45	1,574.96	1,713.92	1,662.79	5,123.16	5,775.80	6,453.82	-	-
Other financial liabilities	2,972.53	124.92	111.64	107.45	343.51	662.46	1,588.51	34.04	-
Total	**29,157.62**	**1,783.30**	**2,949.08**	**1,784.58**	**5,469.98**	**6,445.87**	**10,560.79**	**72.17**	**91.85**
As at 31st March, 2021									
Financial Liabilities									
Trade Payables	47.43	1.23		46.20					
Lease Liability	167.18	0.43	0.43	0.44	1.34	2.93	18.19	30.45	112.97
Debt Securities	3,799.80	-	187.50	-	-	-	3,612.30		
Borrowings (Other than Debt Securities)	13,207.46	753.22	706.31	718.19	2,084.44	4,116.16	4,829.14		
Other financial liabilities	2,936.48	252.78	313.58	84.08	382.48	787.55	1,094.56	21.45	
Total	**20,158.35**	**1,007.66**	**1,207.82**	**848.91**	**2,468.26**	**4,906.64**	**9,554.19**	**51.90**	**112.97**

(ii) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period

(Rs. In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Bandhan Bank	1,000.00	-
Vivriti NCD	3,700.00	-

"In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been breaches in financial covenants of three lenders namely, ResponsAbility India Business Advisors Pvt. Ltd, Northern Arc Capital Limited and Maanaveeya Development and Finance Limited having total exposure of Rs. 3,868 lakhs in the company but Company has received relaxation from the said lenders. Management expects that the Company will be able to meet all contractual obligations from borrowings on a timely basis going forward."

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(J) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is mainly transacting in Indian Rupee (INR), which is the functional currency of the company. Consequently, the Company is not exposed to any foreign exchange risk.

(K) Other Price Risk

The Entity is exposed to price risks arising from its investments which are held for trading purposes. The sensitivity analysis have been determined based on the exposure to price risks for Investments in Mutual Funds at the end of the reporting period.

The company's exposure to asset having price risk is as under.

(Rs. In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Investments	361.19	136.12

Impact on Profit / (loss) after tax (Rs. In Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Increase by 10%	26.73	9.83
Decrease by 10%	(26.73)	(9.83)

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41 Capital management:

Company's strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. It is achieved by maintaining a balance mix of Equity and Debt as may be appropriate. The Company determines the amount of funds required on the basis of operations, capital expenditure and business plans. The Capital structure is monitored on the basis of capital adequacy ratio and maturity profile of overall debt portfolio of the company. (Please refer Note 45 (A) and Note 40 (I))

For the purpose of the Company's capital management, capital includes paid-up equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as level of dividends to equity share holders.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021

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Notes forming part of the Financial Statements for the year ended 31st March, 2022

42 Maturity analysis of assets and liabilities (Rs. In Lakhs)

	Particulars	As at 31st March, 2022			As at 31st March, 2021		
		Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
	ASSETS						
[1]	**Financial Assets**						
(a)	Cash and cash equivalents	4,410.88	-	4,410.88	1,584.95		1,584.95
(b)	Bank Balance other than (a) above	624.90	406.95	1,031.85	461.53	669.50	1,131.03
(c)	Loans	21,863.09	9,147.87	31,010.97	18,491.76	6,568.95	25,060.71
(d)	Investments	51.19	310.00	361.19	61.12	75.00	136.12
(e)	Other Financial assets	186.26	158.06	344.32	139.30	1.53	140.83
		27,136.31	**10,022.89**	**37,159.21**	**20,738.66**	**7,314.99**	**28,053.64**
[2]	**Non-financial Assets**						
(a)	Current tax assets (Net)		895.27	895.27		763.65	763.65
(b)	Deferred tax Assets (Net)		363.31	363.31		485.58	485.58
(c)	Property, Plant and Equipment		68.47	68.47		72.18	72.18
(d)	Intangible assets under development		32.68	32.68		24.00	24.00
(e)	Other Intangible assets		0.61	0.61		0.81	0.81
(f)	Right of Use Asset	17.87	123.63	141.51		159.38	159.38
(g)	Other non-financial assets	5.76		5.76	3.57		3.57
		23.63	**1,483.97**	**1,507.61**	**3.57**	**1,505.60**	**1,509.17**
	Total Assets	**27,159.94**	**11,506.86**	**38,666.82**	**20,742.23**	**8,820.59**	**29,562.81**
	LIABILITIES AND EQUITY						
	LIABILITIES						
[1]	**Financial Liabilities**						
(a)	Payables						
	Trade Payables						
	(i) total outstanding dues of micro enterprises and small enterprises						
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	101.83		101.83	47.43		47.43
	(II) Other Payables						
	(i) total outstanding dues of micro enterprises and small enterprises						
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises						
(b)	Finance Lease Obligation	7.79	153.82	161.61	5.57	161.61	167.18
(c)	Debt Securities	1,122.58	2,494.61	3,617.19	187.50	3,612.30	3,799.80
(d)	Borrowings (Other than Debt Securities)	15,850.63	6,453.82	22,304.45	8,378.32	4,829.14	13,207.46
(e)	Subordinated Liabilities				-		
(f)	Other financial liabilities	1,349.99	1,622.57	2,972.56	1,820.47	1,116.01	2,936.48
		18,432.81	**10,724.83**	**29,157.64**	**10,439.29**	**9,719.06**	**20,158.35**
[2]	**Non-Financial Liabilities**						
(a)	Provisions	-	63.48	63.48	6.29	66.95	73.24
(b)	Other non-financial liabilities	48.08		48.08	37.44		37.44
		48.08	**63.48**	**111.56**	**43.73**	**66.95**	**110.68**
[3]	**EQUITY**						
(a)	Equity Share capital		6,602.92	6,602.92		6,602.92	6,602.92
(b)	Other Equity		2,794.70	2,794.70		2,690.86	2,690.86
	Total Equity	-	**9,397.62**	**9,397.62**	-	**9,293.78**	**9,293.78**
	Total Liabilities and Equity	**18,480.89**	**20,185.93**	**38,666.82**	**10,483.02**	**19,079.79**	**29,562.81**

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43 Break up of loan portfolio

(Rs. In Lakhs)

Loan Portfolio	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Opening Loan outstanding	26,060.93	26,548.81
Loans disbursed during the Year	39,879.63	22,815.42
DA Pool Purchased (Refer Note below)	60.97	106.00
A	**66,001.53**	**49,470.23**
Write off	**799.02**	**1,964.66**
Loans assigned during the Year (Refer Note below)	-	-
Loans recovered during the year on owned portfolio	33,678.81	21,444.64
Loan portfolio restructured into investments	-	-
B	**34,477.83**	**23,409.30**
Loans outstanding at the end of the year (A-B)	**31,523.70**	**26,060.93**
Unamortized Transaction Cost	(171.81)	(117.39)
Loans outstanding	**31,351.89**	**25,943.54**
Assigned Portfolio	55.74	82.69
Asset under Management	**31,407.63**	**26,026.23**

Details of Assignment transactions undertaken by NBFCs: (Rs. In Lakhs)

	2021-22	2020-21
1 No. of accounts	-	-
2 Aggregate value (net of provisions) of accounts sold	-	-
3 Aggregate consideration	-	-
4 Additional consideration realized in respect of accounts transferred in earlier years	-	-
5 Aggregate gain / loss over net book value	-	-

Purchase of Portfolio

Details of Assignment transactions undertaken by NBFCs: (Rs. In Lakhs)

	2021-22	2020-21
1 No. of Transactions	1	1
2 Aggregate value (net of provisions) of accounts Purchased	60.97	106.00
3 Aggregate consideration	60.97	106.00
4 Additional consideration realized in respect of accounts transferred in earlier years	-	-
5 Aggregate gain / loss over net book value	-	-

44 Retirement Benefits

a) Employee benefit plans

The company has a defined benefit gratuity plan. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility :

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets underperform compared to this yield, this will create or increase a deficit. The defined benefit plans may hold equity type assets, which may carry volatility and associated risk.

Change in bond yields :

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Inflation risk :

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The post retirement medical benefit obligation is sensitive to medical inflation and accordingly, an increase in medical inflation rate would increase the plan's liability.

Life expectancy :

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

The following tables set out the status of the gratuity plan as required under Ind AS 19.

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i) Movement in present values of defined benefit obligation

(Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Defined benefit obligation at the beginning of the year	53.37	44.24
Current service cost	19.49	13.52
Interest cost	3.63	3.01
Actuarial losses (gains) arising from change in financial assumptions	5.69	-
Actuarial losses (gains) arising from experience adjustments	(10.75)	(7.40)
Benefits paid	(4.97)	-
Defined benefit obligation at the end of the year	**66.45**	**53.37**

ii) Movement in fair value of plan assets

(Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Fair value of plan assets at the beginning of the year	45.25	21.48
Expected return on plan assets	3.17	2.22
Actuarial gains/(losses)	(0.45)	(0.89)
Contributions paid	7.77	22.44
Benefits paid	(4.97)	-
Fair value of plan assets at the end of the year	**50.76**	**45.25**

iii) Amount recognised in Balance Sheet :

(Rs. In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Defined benefit obligation	66.45	53.37
Fair value of plan assets	50.76	45.25
Deficit in the plan	**15.69**	**8.12**
Experience. Adjustment On Plan Liabilities	0.45	0.89
Experience Adjustment on Plan Assets	(0.45)	(0.89)

iv) Expense recognised in Statement of Profit and Loss

(Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Current service cost	19.49	13.52
Interest on obligation	0.46	3.01
Expected return on plan assets	(3.17)	(2.22)
Total included in employee benefits expense	**16.77**	**14.31**

v) Amount recognised in Other Comprehensive Income (OCI) for the year

(Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Actual Returns on Plan Assets excluding Interest Income	(5.06)	(7.40)
Actuarial Changes Arising from Changes in Financial Assumptions	0.45	0.89
Closing amount recognised in OCI	**(4.61)**	**-6.51**

vi) Asset / (liability) recognised in balance sheet

(Rs. In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Present value of obligation	66.45	53.37
Fair value of plan assets	50.76	45.25
Liability/(Asset) recognised in balance sheet	**15.69**	**8.12**

vii) Principal actuarial assumptions

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Discount Rate	6.80%	6.80%
Expected return on plan assets	6.80%	6.80%
Future salary increase	10.00%	10.00%
Retirement Age	60 Yrs	60 Yrs
Mortality Rate	Indian Assured Lives Mortality (2012-14) ultimate	Indian Assured Lives Mortality (2012-14) ultimate
Withdrawal rate	10%	10% upto 5 duration and 1% therafter

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Projection Risks:

Investment Risk - The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.

Interest Risk - A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity Risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk -The present value of the defined benefit plan liability is calculated by reference to the future salariesof plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

viii) Funding Arrangement and Policy

The money contributed by the Group to the fund to finance the liabilities of the plan has to be invested. The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the Income Tax Rules for such approved schemes.

ix) Maturity Profile of Defined Benefit Obligations (Rs. In Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Within the next 12 months (next annual reporting period)	5.17	3.82
Year 2	5.80	4.61
Year 3	5.13	4.08
Year 4	8.05	3.61
Year 5	3.62	4.58
more than 5 and upto 10 years	9.83	7.92

x) Quantitative sensitivity analysis for significant assumption is as below: (Rs. In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Increase/decrease on present value of defined benefits obligation		
i) 1% increase in discount rate	61.25	48.95
ii) 1% decrease in discount rate	72.42	58.46
iii) 1% increase in salary escalation rate	72.18	58.25
iv) 1% decrease in salary escalation rate	61.35	49.04
v) 1% increase in withdrawal rate	65.45	52.48
vi) 1% decrease in withdrawal rate	67.58	54.37

xi) Contribution for Next 12 Months (Rs. In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Contribution for Next 12 Months	10.83	5.00

xi) Sensitivity Analysis Method

Above sensitivities have been calculated to show the movement in defined benefit obligation in isolation, and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

xii) Asset information:

(Rs. In Lakhs)

Category of Assets	As at 31st March, 2022	As at 31st March, 2021
Insurer managed funds	100.00%	100.00%

xiii) Defined contribution plan (Rs. In Lakhs)

Amount recognised in Statement of Profit and Loss towards	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
i) Provident fund	37.15	27.93
ii) Employee state insurance	0.23	0.23
Total	**37.38**	**28.16**

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45 Disclosure as required under annex XII- RBI Master Direction - Non-Banking Financial Company - Systemically Important non-deposit taking company and deposit taking company (Reserve Bank) Directions, 2016 dated september 01, 2016 as may be amended from time to time:*

(A) Statutory Ratios

(i) Capital Adequacy Ratio

(Rs in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
CRAR (%)	27.46%	33.93%
CRAR - Tier I Capital (%)	27.23%	33.07%
CRAR - Tier II Capital (%)	0.23%	0.86%
Amount of subordinate debt raised as tier- II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

(ii) Liquidity Coverage Ratio

(Rs in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Highly Liquid Assets	4,476.78	1,699.04
(A) Cash and cash equivalents	4,425.59	1,637.92
(B) Marketable Securities	51.19	61.12
(ii) Net Cash outflows of next 30 days from year end	1,724.36	604.87
(A) Cash Outflows	4,174.08	2,419.48
(B) Cash inflows	2,449.73	1,814.61
(iii) Liquidity Coverage Ratio	259.62%	280.89%

(B) Disclosure of Investments

(Rs in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Value of Investments		
Gross value of Investments	431.38	206.31
(a) In India	431.38	206.31
(b) Outside India	-	-
Provision for depreciation/diminution	70.19	70.19
(a) In India	70.19	70.19
(b) Outside India	-	-
Net value of investments	361.19	136.12
(a) In India	361.19	136.12
(b) Outside India	-	-
Movement of provisions held towards depreciation on Investments		
Opening Balance	70.19	70.19
Add: Provision made during the year	-	-
Less : Write -off / write-back of excess provisions during the year	-	-
Closing balance	70.19	70.19

(C) Derivatives:

(a) Forward Rate Agreement / Interest Rate Swap

(Rs in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
The notional principal of Forward/swap agreements	-	-
Losses which would be incurred if counterparties failed to fulfill their obligation under the agreements	-	-
Collateral required by the NBFC upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of swap book	-	-

(b) Exchange traded Interest Rate "IR" derivatives

(Rs in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Notional principal amount of exchange traded IR derivatives undertaken		
- Forward Rate agreements	-	-
Total	-	-
Notional principal amount of exchange traded IR derivatives outstanding		
- Forward Rate agreements	-	-
Total	-	-
Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
Mark to market value of exchange traded IR derivative outstanding and not highly effective	-	-

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Notes forming part of the Financial Statements for the year ended 31st March, 2022

(D) Disclosures pertaining to securitisation transactions

Details of Securitisation transactions undertaken:

Sr No	Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
1	No of SPEs holding assets for securitisation transactions originated by the originator	1.00	-
2	Total amount of securitised assets as per books of the SPEs	36.91	-
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	- First loss	1.85	-
	- Others		
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party securitisations		
	- First loss	-	-
	- Others	30.44	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party securitisations	-	-
	- First loss	-	-
	- Others	-	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	32.30	-
6	Outstanding value of services provided by way of asset servicing post securitisation	26.50	-
7	Performance of post securitisation aset servicing facility provided.		
	(a) Amount paid	10.54	-
	(b) Repayment received	10.40	-
	(c) Outstanding amount	Nil	Nil
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset	NA	NA
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup	NA	NA
10	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	NA	NA

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45 Disclosure as required under annex XII- RBI Master Direction - Non-Banking Financial Company - Systemically Important non-deposit taking company and deposit taking company (Reserve Bank) Directions, 2016 dated september 01, 2016 as may be amended from time to time:

(E) Exposure to Real Estate Sector

Particulars	As at 31st March, 2022	As at 31st March, 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.		
(ii) Commercial Real Estate	-	-
Lending secured by mortgages on commercial real estate (office buildings, retail space, multi-purpose commercial premises, multi-family residentail building, multi tenanted commercial premises. industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based limits.		
(iii) Investments in Mortgage back securities (MBS) and other securitised exposure-		
(a) Residential	-	-
(b) Commercial real estate	-	-
Total Direct Exposure (A)	-	-
b) Indirect Exposure (B)	-	-
Total Exposure to Real Estate Sector (A+B)	-	-

(F) Exposure to Capital Market:

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Direct investment in equity shares, convertibles bonds, convertible debentures and unit of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	310.00	75.00
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investments in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and unit of equity-oriented mutual funds;	-	-
(iii) Advances for any other purpose where shares or convertible bonds or convertibles debentures or units of equity-oriented mutual funds are taken as primary security;	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or unit or 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;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbroker and market makers;	-	-
(vi) Loan 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;	-	-
(vii) Bridge loans to companies against expected equity flows/issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	**310.00**	**75.00**

(G) The company has not disbursed any loans against security of Gold.

(H) Unsecured advances

Total loans and advances includes Rs. 25775.26 Lakhs which are unsecured advances (Previous year Rs. 13754.88 Lakhs)

The company has not obtained any intangible securities towards the unsecured advances

(I) Registration obtained from other financial sector regulators

The company has not obtained any registration from any other financial sector regulator during the current and previous year.

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(J) Details of penalties imposed by RBI and other regulators

No penalties have been levied by the Reserve Bank of India or any other Regulators during the current and previous year

(K) Details of Credit Ratings:

i) Ratings assigned by Credit rating agencies:

Rating Agency	Product	As at 31st March, 2022		As at 31st March, 2021	
		Amount	Rating assigned	Amount	Rating assigned
Brickwork Ratings India Private Limited	Non Convertible Debenture	2,500	BWR BBB	2,500	BWR BBB
Brickwork Ratings India Private Limited	Non Convertible Debenture	1,125	BWR BBB	1,500	BWR BBB
Brickwork Ratings India Private Limited	Long Term Bank Facilities	34,400	BWR BBB	24,400	BWR BBB
Brickwork Ratings India Private Limited	Cash Credit	600	BWR BBB	600	BWR BBB

ii) Details of migration of credit ratings during the year:

Rating Agency	Product	Rating assigned	Migration in ratings during the year
Brickwork Ratings India Private Limited	Non Convertible Debenture	BWR BBB/ Negative (Rating Reaffirmed and removed from Credit Watch with Negative Implications and assigned a Negative Outlook)	BWR BBB/Credit watch with Negative Implication
Brickwork Ratings India Private Limited	Long Term Bank Facilities	BWR BBB/ Negative (Rating Reaffirmed and removed from Credit Watch with Negative Implications and assigned a Negative Outlook)	BWR BBB/Credit watch with Negative Implication
Brickwork Ratings India Private Limited	Cash Credit	BWR BBB/ Negative (Rating Reaffirmed and removed from Credit Watch with Negative Implications and assigned a Negative Outlook)	BWR BBB/Credit watch with Negative Implication

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Ananya Finance for Inclusive Growth Private limited
Notes forming part of the Financial Statements for the year ended 31st March, 2022

45 Disclosure as required under annex XII- RBI Master Direction - Non-Banking Financial Company - Systemically Important non-deposit taking company and deposit taking company (Reserve Bank) Directions, 2016 dated september 01, 2016 as may be amended from time to time:

(L) Considering the nature of the business of the entity and transactions entered during the year ended March 31, 2022 & March 31, 2021 following are having Nil disclosure:

a. Draw down from reserves.
b. Overseas assets (for those with joint ventures and subsidiaries abroad).
c. Off- Balance Sheet SPVs sponsored.
d. Financing of parent company products.
e. Postponement of revenue recognition.

(M) Remuneration paid to Non Executive Directors:

Name of the Director	2021-22	2020-21
Ms. Jayshree Vyas	1.13	1.50
Mr. Siddharth Sinha	1.65	2.40
Mr. Arvind Agrawal	1.43	1.88
Mr. Sanjay Gandhi	2.03	2.18
Mr. Brij Mohan	0.60	1.88
Ms. Sutapa Banerjee	0.00	0.15
Ms. Tara Nair	2.48	1.43
Mr. N K Maini	2.03	0.00
Total	**11.33**	**11.40**

(N) Details of Provisions and Contingencies

Particulars	2021-22	2020-21
Provision for depreciation on investment	70.19	70.19
Provision towards non performing advances	485.55	781.40
Other Provision and Contingencies:		
Bad debts written off/(back)	747.23	1,976.68
Provision for Contingencies/Other financial assets		
Provision for Standard Assets	167.20	285.96
Total	**1,470.17**	**3,114.23**
Provision made towards Tax	127.38	40.02

(O) Details of concentration of advances, exposures & NPA:

a) Concentration of Advances

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total advances to twenty largest borrowers	5,663.48	8,839.19
Percentage of advances to twenty largest borrowers to total advances	18.06%	34.07%

Note: Advances includes outstanding principal amount

b) Concentration of Exposures

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total Exposure to twenty largest borrowers / customers	5,667.09	8,876.71
Percentage of exposure to twenty largest borrowers / customers to total exposure	17.90%	33.97%

Note: Exposure includes amount outstanding including principal and interest overdue.

c) Concentration of NPAs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total exposure to top four NPA accounts	525.58	1,138.07

d) Details of sectorwise NPA:

Sector	% of NPAs to total advances in that sector	
	As at 31st March, 2022	As at 31st March, 2021
Agriculture & allied activities	8.99%	9.68%
MSME	0.00%	0.00%
Corporate borrowers	4.44%	13.88%
Services	0.00%	0.00%
Unsecured personal loans	0.00%	0.00%
Auto Loans	0.00%	0.00%
Other loans*	1.05%	4.04%

*Other loans include all loans that cannot be classified under any of the other sectors.

(P) Disclosure of Complaints:

Particulars	As at 31st March, 2022	As at 31st March, 2021
i. Number of complaints pending at the beginning of	-	-
ii. Number of complaints received during the year	-	-
iii. Number of complaints redressed during the year	-	-
iv. Number of complaints pending at the end of the year	-	-

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(Q) Asset Classification

(a) Asset Classification and provision thereof (Rs. In Lakhs)

Asset classification	As at 31st March, 2022		As at 31st March, 2021	
	Loan Portfolio	Provision	Loan Portfolio	Provision
Standard Assets	28,515.00	167.20	22,125.90	285.96
Sub standard Assets*	322.62	225.26	1,413.93	658.12
Doubtful Assets	260.28	260.28	256.21	123.29
Loss Assets	-	-	-	-
Total	**29,097.89**	**652.76**	**23,796.04**	**1,067.37**

* Includes provision for diminution in value of restructured advances of Rs. 22.93 lakhs for FY 2021-22 and Rs. 32.97 lakhs for FY 2020-21 as mentioned in note C below.

(b) The movement in provision for the year ended 31st March 2022 and 31st March 2021

(Rs. In Lakhs)

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Standard asset provision	Non-performing asset provision	Total	Standard asset provision	Non-performing asset provision	Total
Opening balance	285.96	781.40	1,067.37	293.88	843.33	1,137.21
Additions			-			
Reduction	118.76	295.86	414.61	7.92	61.93	69.85
Closing balance	**167.20**	**485.55**	**652.76**	**285.96**	**781.40**	**1,067.37**

The movement in Provision has been shown on net basis.

(c) Provision for diminution in the fair value of restructured advances

During the year, the Company has made a provision (net) amounting to Rs.22.93 lakhs (Previous Year: Rs.88.00 lakhs) for diminution in the fair value of restructured advances in accordance with the Master Direction No. : DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016 on Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

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Notes forming part of the Financial Statements for the year ended 31st March, 2022

(d) Disclosure of Restructured Accounts

Details of 2021-22

(Rs. In Lakhs)

Sr. No.	Type of Restructuring		Under CDR Mechanism / Under SME Debt Restructuring					Others					Total				
	Asset Classification		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Details																
1	Restructured Accounts as on 1st April 2021 (opening Figures)*	No. of Borrowers	-	-	-	-	-	2.00		-	-	2.00	2.00	-	-	-	2.00
		Amount Outstanding	-	-	-	-	-	880.04		-	-	880.04	880.04	-	-	-	880.04
		Provision Thereon	-	-	-	-	-	32.97		-	-	32.97	32.97	-	-	-	32.97
2	Fresh Restructuring during the year	No. of Borrowers	-	-	-	-	-	1,927.00	-	-	-	1,927.00	1,927.00	-	-	-	1,927.00
		Amount Outstanding	-	-	-	-	-	230.12	-	-	-	230.12	230.12	-	-	-	230.12
		Provision Thereon	-	-	-	-	-	22.93	-	-	-	22.93	22.93	-	-	-	22.93
3	Upgradations to restructured standard category during the financial year	No. of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured Standard Advances which ceases to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY.	No. of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	No. of Borrowers	-	-	-	-	-	-	2.00	-	-	2.00	-	2.00	-	-	2.00
		Amount Outstanding	-	-	-	-	-	-	880.04	-	-	880.04	-	880.04	-	-	880.04
		Provision Thereon	-	-	-	-	-	-	32.97	-	-	32.97	-	32.97	-	-	32.97
6	Write offs of restructured accounts during the FY	No. of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on 31st March of the FY (Closing Figures)*	No. of Borrowers	-	-	-	-	-	1,927.00	-	-	-	1,927.00	1,927.00	-	-	-	1,927.00
		Amount Outstanding	-	-	-	-	-	230.12	-	-	-	230.12	230.12	-	-	-	230.12
		Provision Thereon	-	-	-	-	-	22.93	-	-	-	22.93	22.93	-	-	-	22.93

* Excluding the Figures of standard restructured advances which do not attract higher provisioning on risk weight

Ananya Finance for Inclusive Growth Pvt. Ltd. Ahmedabad

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(d) Disclosure of Restructured Accounts

Details of 2020-21

(Rs. In Lakhs)

Sr. No.	Type of Restructuring		Under CDR Mechanism / Under SME Debt Restructuring					Others					Total				
	Asset Classification		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Details																
1	Restructured Accounts as on 1st April 2020 (opening Figures)*	No. of Borrowers	-	-	-	-	-	-	3.00	-	-	3.00	-	3.00	-	-	3.00
		Amount Outstanding	-	-	-	-	-	-	159.76	-	-	159.76	-	159.76	-	-	159.76
		Provision Thereon	-	-	-	-	-	-	52.85	-	-	52.85	-	52.85	-	-	52.85
2	Fresh Restructuring during the year	No. of Borrowers	-	-	-	-	-	2.00	-	-	-	2.00	2.00	-	-	-	2.00
		Amount Outstanding	-	-	-	-	-	880.04	-	-	-	880.04	880.04	-	-	-	880.04
		Provision Thereon	-	-	-	-	-	32.97	-	-	-	32.97	32.97	-	-	-	32.97
3	Upgradations to restructured standard category during the financial year	No. of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured Standard Advances which ceases to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY.	No. of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	No. of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write offs of restructured accounts during the FY	No. of Borrowers	-	-	-	-	-	-	3.00	-	-	3.00	-	3.00	-	-	3.00
		Amount Outstanding	-	-	-	-	-	-	159.76	-	-	159.76	-	159.76	-	-	159.76
		Provision Thereon	-	-	-	-	-	-	52.85	-	-	52.85	-	52.85	-	-	52.85
7	Restructured Accounts as on 31st March of the FY (Closing Figures)*	No. of Borrowers	-	-	-	-	-	2.00	-	-	-	2.00	2.00	-	-	-	2.00
		Amount Outstanding	-	-	-	-	-	880.04	-	-	-	880.04	880.04	-	-	-	880.04
		Provision Thereon	-	-	-	-	-	32.97	-	-	-	32.97	32.97	-	-	-	32.97

* Excluding the Figures of standard restructured advances which do not attract higher provisioning on risk weight

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MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

46 Disclosure required as per Circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 - Implementation of Indian Accounting Standards

As at 31st March, 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	28,364.79	152.18	28,212.61	144.88	7.30
	Stage 2	150.21	15.02	135.19	1.59	13.44
Subtotal		**28,515.00**	**167.20**	**28,347.80**	**146.46**	**20.74**
Non-Performing Assets (NPA)						
Substandard	Stage 3	322.62	225.26	97.36	40.04	185.22
Doubtful - up to 1 year	Stage 3	260.28	260.28	-	260.28	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		260.28	260.28	-	260.28	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**582.89**	**485.55**	**97.36**	**300.32**	**185.22**
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		-	-		-
	Stage 2		-	-		-
	Stage 3		-	-		-
Subtotal		-	-	-	-	-
Total	**Stage 1**	28,364.79	152.18	28,212.61	144.88	7.30
	Stage 2	150.21	15.02	135.19	1.59	13.44
	Stage 3	582.89	485.55	97.36	300.32	185.22
	Total	**29,097.89**	**652.75**	**28,445.16**	**446.79**	**205.95**

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MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

(Rs. In Lakhs)

As at 31st March, 2021

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	20,847.68	228.45	20,619.23	93.10	135.35
	Stage 2	1,278.22	57.51	1,220.71	88.84	(31.33)
	Stage 3	-	-			
Subtotal		**22,125.90**	**285.96**	**21,839.94**	**181.93**	**104.02**
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,413.93	658.12	755.81	217.59	440.53
Doubtful - up to 1 year	Stage 3	256.21	123.29	132.93	85.35	37.94
1 to 3 years	Stage 3			-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		256.21	123.29	132.93	85.35	37.94
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,670.14**	**781.40**	**888.74**	**302.94**	**478.46**
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		-	-		-
	Stage 2		-	-		-
	Stage 3		-	-		-
Subtotal		-	-	-	-	-
Total	**Stage 1**	20,847.68	228.45	20,619.23	93.10	135.35
	Stage 2	1,278.22	57.51	1,220.71	88.84	(31.33)
	Stage 3	1,670.14	781.40	888.74	302.94	478.47
	Total	**23,796.04**	**1,067.36**	**22,728.68**	**484.87**	**582.50**

46.1 **Movement of NPAs:-**

(Rs. In Lakhs)

Particular	31st March, 2022	31st March, 2021
Net NPA to net advance (%)	0.34%	3.91%
Movement of gross NPAs		
Opening Balance	1,670.15	2,183.82
Addition during the year	203.10	1,005.59
Reduction/Write off during the year	1,290.37	1,519.26
Closing balance	582.89	1,670.15
Movement of provision for NPAs		
Opening Balance	781.40	843.33
Addition during the year	105.76	481.95
Reduction/Write off during the year	401.63	543.88
Closing balance	485.53	781.40
Movement of net NPAs		
Opening Balance	888.75	1,340.49
Addition during the year	97.35	523.64
Reduction/Write off during the year	888.74	975.38
Closing balance	97.36	888.75

47 The SMA / Overdue accounts in respect of which moratorium was extended by the Company as per Circular DOR.No.BP.BC.63/21.04.048/2019-20-Covid-19 Regulatory Package were repaid during financial year 2020-21. Additional provision required on such accounts amounts to Rs. Nil as on March 31, 2022 and March 31, 2021.

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48 Asset Liability Management - Maturity pattern of certain items of assets and liabilities

(Rs. In Lakhs)

As at 31st March, 2022	1 to 7 Days	8 to 14 days	15 to 30/31 days	month to 2 months	Over 2 months to 3 months	Over 3 months upto 6 months	Over 6 months upto 1year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities											
Borrowings	305.45	316.00	953.51	2,836.49	1,662.79	5,123.16	5,775.80	8,948.43	-	-	25,921.66
Asset											
Loans			1,946.05	3,283.20	2,733.53	5,657.52	8,242.79	7,875.04	1,056.44	216.39	31,010.97
Investments- MF						51.19				310.00	361.19

(Rs. In Lakhs)

As at 31st March, 2021	1 to 7 Days	8 to 14 days	15 to 30/31 days	month to 2 months	Over 2 months to 3 months	Over 3 months upto 6 months	Over 6 months upto 1year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities											
Borrowings	294.74	30.85	427.62	893.81	718.19	2,084.44	4,116.16	8,441.45		-	17,007.26
Assets											
Loans	67.60	157.27	1,406.11	2,185.69	1,666.45	5,789.50	7,444.01	5,775.78	91.02	477.28	25,060.71
Investments- MF					61.12					75.00	136.12

In computing above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditor.

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Ananya Finance for Inclusive Growth Private limited
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49 Pursuant to RBI Guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies dated November 4, 2019

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

Year	31st March, 2022	31st March, 2021
Number of Significant Counterparties	19.00	16.00
Amount (In Lakhs)	26,036.15	17,080.07
% of Total deposits	NA	NA
% of Total liabilities	88.95%	84.27%

49.2 Top 20 large deposits

Not Applicable. The Company being a Non-Deposit Non-Banking Financial Company registered with Reserve Bank of India does not accept public deposits.

49.3 Top 10 borrowings

Year	31st March, 2022	31st March, 2021
Amount (In Lakhs)	19,927.69	13,350.65
% of Total Borrowings	76.88%	78.50%

49.4 Funding Concentration based on significant instrument/product

Year	31st March, 2022		31st March, 2021	
Name of the Instrument/ Product	Amount (In Lakhs)	% of Total Liabilities	Amount (In Lakhs)	% of Total Liabilities
Secured Non Convertible Debentures	3,617.19	13.95%	3,799.80	22.34%
Term loans	22,304.45	86.05%	13,207.46	77.66%
Cash Credit Limits	-	-		
Total	25,921.65	100.00%	17,007.26	100.00%

49.5 Stock Ratios

Particulars	As a % of public funds		As a % of Total liabilities		As a % of total assets	
Year	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Commercial papers	-	-	-	-	-	-
Non- Convertible Debentures (original maturity of less than one year)	-	-	-	-	-	-
Other Short term liabilities*	-	-	63.14%	51.72%	47.80%	35.46%

* Other Short term Liabilities comprises of Trade payables, Current portion of Lease obligation , borrowings and Debt securties,Short term provisions and short term other financials and Non financial liabilities

49.6 Institutional set-up for liquidity risk management

The Liquidity Risk Management of the Company is governed by Risk Management Committee. The Board has the overall responsibility for management of liquidity risk. The Board decides the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits approved by it. The Risk Management Committee (RMC), which is a committee of the Board, is responsible for evaluating the overall risks faced by the Company including liquidity risk. Company's Board has guided Asset Liability Management Committee (ALCO) to ensure adherence to the liquidity risk tolerance/limits and prepare liquidity risk management strategy. The role of the ALCO with respect to liquidity risk would include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions at an entity level.

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50 Disclosure as per RBI Circular on Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22

The company had not charged Interest on Interest to any of its borrower during the moratorium period hence the company has no amount to be refunded or adjusted as per the Hon'ble Supreme Court of India's judgement in the matter of Small Scale Industrial Manufacturers Association vs UOI & Ors.

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51 Disclosure as required in terms of Paragraph 19 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

1 Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid:

(Rs. In Lakhs)

Particulars	2021-22		2020-21	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
a) Debentures :				
Secured	3,736.85	-	3,927.85	-
Unsecured(other than falling within the meaning of public deposits)	-		-	-
b) Deferred Credits	-		-	-
c) Term Loans	22,381.03		13,271.47	-
d) Inter-corporate loans and borrowing	-		-	-
e) Commercial Paper	-		-	-
f) Public Deposits	-		-	-
g) Other Loans	-		-	-
Cash Credit from Bank	-		-	-

2 Break-up of above (outstanding public deposits inclusive of interest accrued thereon but not paid):

(Rs. In Lakhs)

Particulars	2021-22		2020-21	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
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	-	-	-	-

3 Break up of Loans and advances including bills receivables[other than those included in (4) below]: excluding interest accrued

(Rs. In Lakhs)

Amount Outstanding	2021-22	2020-21
a) Secured	5,888.44	12,373.19
b) Unsecured	25,775.26	13,754.88

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4 **Break up of Leased Assets and stock on hire and other assests counting towards AFC activities:**

(Rs. In Lakhs)

Pariculars	2021-22	2020-21
(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) Assests on hire	-	-
(b) Repossessed Assests	-	-
(iii) Other Loans counting towards AFC activities		
(a) Loans where assests have been repossessed	-	-
(b) Loan other than (a) Above	-	-

5 **Break up of Investments**

(Rs. In Lakhs)

Pariculars	2021-22	2020-21
Current Investments:		
1. Quoted		
(i) Shares:	-	-
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	51.19	61.12
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)		
2. Unquoted		
(i) Shares:	-	-
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Unit of Alternate Investment Fund		
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:	310.00	75.00
(a) Equity	70.19	70.19
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Unit of Alternate Investment Fund		

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6 **Borrowers group wise classification of assets financed as in (3) and (4) above:**

(Rs. In Lakhs)

Category	2021-22			2020-21		
	Amount net of Provisions			Amount net of Provisions		
	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	5,888.44	25,775.26	31,663.70	12,373.19	13,754.88	26,128.07
Total	**5,888.44**	**25,775.26**	**31,663.70**	**12,373.19**	**13,754.88**	**26,128.07**

7 **Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

(Rs. In Lakhs)

Category	2021-22		2020-21	
	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	-	-	-	-
b) Companies in the same group	-	-	-	-
c) Other Related parties	-	-	-	-
2. Other than related parties	361.19	361.19	136.12	136.12
Total	**361.19**	**361.19**	**136.12**	**136.12**

8 **Other Information**

(Rs. In Lakhs)

Pariculars	2021-22	2020-21
(i) Gross Non-Performing Assests		
a) Related Parties	-	-
b) Other than related parties	582.89	1,670.14
(ii) Net Non performing Assests		
a) Related Parties	-	-
b) Other than related parties	97.36	888.74
(iii) Assets acquired in satisfaction of Debt		

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52. Trade Payables ageing schedule

As at March 31, 2022 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	100.65	0.78		0.39	101.83
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
Total	100.65	0.78	-	0.39	101.83
Unbilled	-	-	-	-	-
Not Due	-	-	-	-	-
Grand Total	100.65	0.78	-	0.39	101.83

As at March 31, 2021 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	45.11	0.41	1.91		47.43
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
Total	45.11	0.41	1.91	-	47.43
Unbilled	-	-	-	-	-
Not Due	-	-	-	-	-
Grand Total	45.11	0.41	1.91	-	47.43

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53 The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

54 In respect of borrowings on the basis of security of current assets from banks and financial institutions, quarterly returns / statements of current assets filed by the Company with banks and financial institutions were in agreement with the books of accounts.

55 There were no charges or satisfaction yet to be registered with ROC beyond the statutory period.

56 The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.

57 The Company has advanced / loaned funds to other financial institutions under Business Correspondent Agreement (BC Arrangement) / Co-lending Agreement ("Intermediaries") with the understanding that the Intermediary shall directly lend that amount to identified borrowers on behalf of the company ("Ultimate Beneficiaries"). The details of funds advanced / loaned under BC Arrangement and Co-lending Arrangement are as under:

(Rs. In Lakhs)

No of Intermediaries	Total Disbursement to intermediaries	Total number of ultimate beneficiaries	Total Disbursement to ultimate beneficiaries	Outstanding Balance of loan disbursed through intermediaries
9.00	25,451.89	66,582.00	25,451.89	25,612.59

Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999(42 of 1999) and Companies Act, 2013 to the extent applicable with reference to aforesaid transactions and these transactions are not violative of the Prevention of Money Laundering Act, 2002.

Further, Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party") with the understanding that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

58 The Company has not granted any Loans or Advances in the nature of loans to Promoters, Directors, KMP's and related parties which are repayable on demand or given without specifying terms or period of repayment.

59 The Company does not hold any Benami Property under the Benami Transactions (Prohibition) Act, 1988.

60 The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

61 The Company has not made any Investment in violation to the provisions related to number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

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62 The Company has not traded or invested in Crypto Currency or Virtual Currency.

63 The code on Wages, 2019 and Code on Social Security, 2020 ("the Code") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the Codes when the rules are notified and will record any related impact in the period the Codes becomes effective.

64 Previous year's figures have been regrouped / reclassified, where necessary, to confirm to current year's presentation.

For Manubhai & Shah LLP
Chartered Accountants
(FRN 106041W/W100136)

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS

J.D. Shah
Partner
(M.No.100116)

Place: Ahmedabad
Date: 18.05.2022

For and on behalf of the Board of Directors

Navinkumar Maini
Chairman
(DIN 00419921)
Place:Delhi
Date: 18.05.2022

Gaurav Gupta
Managing Director
(DIN 08663203)
Place:Ahmedabad
Date: 18.05.2022

Pranav Desai
Chief Financial Officer
Place:Ahmedabad
Date: 18.05.2022

Lavina Parikh
Company Secretary
Place:Ahmedabad
Date: 18.05.2022

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