

Independent Auditor's Report

To the Members of Techfino Capital Private Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Techfino Capital Private Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matters described in the "Emphasis of Matter" section of our report, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

- a) We draw attention to Note No. 9.2 of the standalone financial statements of the Company with respect to Rs. 3,85,29,585 payable to business partners with whom lead referral and financing agreements have been entered into by the Company. This includes an amount of Rs. 2,60,52,016 towards tranches disbursable on certain future date as per the said agreement, Rs. 68,93,795 payables to partners as and when the same is realized from the customers and Rs. 55,83,775 withheld as margin money which will be settled upon complete realization from all the customers. The corresponding loans and advances have been included in the "Short Term Loans and Advances" referred to in Note No. 14 of the standalone financial statements.

- b) We draw attention to Note No. 27.10 to the standalone financial statements which states that the records relating to processing, disbursement and collection of loans and advances are maintained in a loan management software ('LMS') which is separate from the books of account. The books of account have been primarily maintained in a cloud-based accounting tool QuickBooks ("QB"). The LMS and QB have been reconciled annually on an overall basis.
- c) We draw attention to Note No. 25 of the standalone financial statements of the Company with respect to Employees Stock Option Plan (ESOP) granted to promoters of the Company. During the year, the Company has granted 1,50,000 ESOP to the directors of the Company who are also the promoters of the Company. As the Company has been recognized as a startup by the Department for Promotion of Industry and Internal Trade (DPIIT) vide certificate no. DIPP31214 dated 01st January 2019, the same is in line with the provisions of the Section 62 of the Companies Act, 2013 read with rule 12 of the Companies (Share Capital and Debentures) Rules, 2014.
- d) Further, we draw attention to Note No. 26 of the standalone financial statements of the Company which states that the Compulsory Convertible Debentures (CCD) have been considered as part of the equity to calculate debt equity ratio. The same has been considered based on the Master Circular issued by the RBI.

Our opinion is not modified with respect to the aforesaid matters.

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.

Reporting of key audit matters as per SA 701 is not applicable to the Company as it is an unlisted Company.

Information other than Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Director's report (but does not include the standalone financial statements and our auditor's report thereon).

In our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we required to report that fact. We have nothing to report in this regard.



Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's 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.

As part of an audit in accordance with the SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing my opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that except for the matters specified in the "Emphasis of Matter" paragraph:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on balance sheet date from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses a disclaimer of 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 the requirements of Section 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence, reporting as per Section 197(16) is not required.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact on its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There 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 its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of



the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- v. The Company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

for **Devas & Venu**

Chartered Accountants

Firm registration number: 014057S

Vinayak

Vinayak Devas

Partner

Membership No: 225341



Place: Bengaluru

Date: 29-Sep-2022

UDIN: 22225341BATUPH7205

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Techfino Capital Private Limited of even date)

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

(b) The Company has maintained proper records showing full particulars, including quantitative details of Intangible.

(c) The Company is in the process of framing a regular program for physical verification of Property, Plant and Equipment by which all assets are verified periodically. The Company has not conducted the physical verification of the Property, Plant and Equipment during the year.

(d) According to the information and explanations given to us and there are no immovable properties of land and building were held in the name of the company as at the balance sheet date.

(e) The Company has not initiated any proceedings or no proceedings pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As the Company is an NBFC and do not have any inventory, reporting under the clause (ii) of the Order is not applicable.

(b) During any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence this clause is not applicable to the Company.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to us, the company has complied with the provisions of Sections 185 and Section 186 of the Companies Act, 2013 to the extent applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year. However, the Company has entered into lead referral and financing agreement with partners where a total amount of Rs. 3,85,29,585 has been withheld towards tranches payable and margin money.
- (vi) In our opinion and according to the information and explanations given to us, sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the company, hence, reporting under clause (vi) of the Order is not applicable.

- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable have generally been deposited regularly with the appropriate authorities.
 - (b) There were no disputed dues of income tax, goods and services tax, custom duty, excise duty and value added tax which have not been deposited as on balance sheet date.
- (viii) According to the information and explanations given to us, the company has no transactions to be recorded in the books of account which have been surrendered and disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of borrowings from banks and financial institution as on the date of balance sheet. Hence, reporting under clause (ix) of the Order is not applicable;
- (b) the Company has not been declared as willful defaulter by any bank or financial institution or other lender;
- (c) The term loans were applied for the purpose for which the loans were obtained. However, the excess money available with the Company has been invested in mutual fund for the short duration;
- (d) The funds raised on short term basis have been utilized for short-term purposes only and hence this subclause is not applicable;
- (e) The Company doesn't have any subsidiaries, associates or joint ventures and hence this subclause is not applicable;
- (f) The Company doesn't have any subsidiaries, associates or joint ventures and hence this subclause is not applicable
- (x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer and hence reporting under this subclause of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has made private placement of shares and convertible debentures (fully convertible) during the year and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with. Further, the funds raised have been used for the purposes for which the funds were raised.
- (xi) In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of audit.
- (xii) The Company is not a Nidhi Company and hence reporting under this clause of the Order is not applicable.

- (xiii) In our opinion and according to the information and explanations given to us, the company is in compliance with section 188 of the Companies Act, 2013 for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards and section 177 of the Companies Act, 2013 is not applicable to the Company.
- (xiv) In our opinion and according to the information and the explanations given to us, section 138 of the companies Act, 2013 is not applicable, as the company is not covered under the criteria for the appointment of internal auditor.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) According to the information and explanation given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained by the Company.
- (xvii) In our opinion and according to the information and explanations given to us, the company has not incurred cash losses in the financial year or in the immediately preceding previous financial year.
- (xviii) According to the information and explanations given to us, there has not been any resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) In our opinion, provisions of section 135 of the Companies Act, 2013 is not applicable to the company. Hence reporting under this clause of the order is not applicable to the Company.
- (xxi) As we are reporting on standalone financial statements of the Company, the said clause of the Order is not applicable.

for **Devas & Venu**

Chartered Accountants

Firm registration number: 014057S

Vinayak Devas

Vinayak Devas

Partner

Membership No: 225341



Place: Bengaluru

Date: 29-Sep-2022

UDIN: 222253418ATVQH7205

Annexure B referred to in paragraph 2(f) under the heading “Report on other Legal and Regulatory Requirements” of our report to the members of Techfino Capital Private Limited for the year ended 31st March 2022.

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

We have audited the internal financial controls over financial reporting of **Techfino Capital Private Limited** (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Because of the matter described in the Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

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 authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Disclaimer of Opinion

According to the information and explanations given to us, the requirement of implementing internal financial control over financial reporting became applicable to the Company during the last month of the financial year. As explained to us, the Company has initiated the exercise of implementing internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India, however, the Company could not complete the entire exercise of implementing the same by the year end. Due to the above, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2022.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

for **Devas & Venu**

Chartered Accountants

Firm registration number: 014057S



Vinayak Devas

Partner

Membership No: 225341



Place: Bengaluru

Date: 29/09/2022

UDIN: 22225341BATUQH7205

Techfino Capital Private Limited

CIN: U65999KA2018PTC114532

No.17065, Prestige Shantiniketan, Mahadevpura, Near ITPL, Whitefield Main Road, Bangalore 560048

Balance Sheet as at 31st March, 2022

Amounts in '000

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
A. Equity and Liabilities			
1. Shareholders' Funds			
a. Share Capital	3	82,000	72,000
b. Reserves and Surplus	4	32,778	654
		1,14,778	72,654
2. Non Current Liabilities			
a. Long Term Borrowings	5	1,89,765	15,797
b. Deferred Tax Liabilities (Net)	6	-	86
c. Long Term Provisions	7	278	166
		1,90,043	16,049
3. Current Liabilities			
a. Short Term Borrowings	8	2,21,565	31,436
b. Other Current Liabilities	9	56,418	4,072
c. Short Term Provisions	10	1	215
		2,77,984	35,723
Total		5,82,805	1,24,426
B. Assets			
1. Non Current Assets			
a. Property, Plant, Equipments and Intangible Assets			
- Property, Plant and Equipments	16	1,029	476
- Intangible Assets	16	1,460	2,136
c. Deferred Tax Assets (Net)	6	56	-
c. Other Non-Current Assets	11	400	400
		2,945	3,012
2. Current Assets			
a. Current Investments	12	16,477	640
b. Cash and Cash Equivalents	13	69,979	27,808
c. Short Term Loans and Advances	14	4,92,798	92,491
d. Other Current Assets	15	606	475
		5,79,860	1,21,414
Total		5,82,805	1,24,426

Significant accounting policies and notes to the financial statements

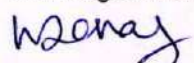
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As per our attached report of even date

for Devas & Venu

Chartered Accountants


Firm Registration No. 014057S


Vinayak Devas
Partner

Membership No. 225341

Place: Bengaluru


Date: 29-Sep-2022

for and on behalf of the Board of Directors of
Techfino Capital Private Limited

Jayaprakash Patra
Director

DIN: 08173623

Place: Bengaluru


Date: 29-Sep-2022


Rajesh Kumar Panda
Director

DIN: 08682733

Place: Bengaluru

Date: 29-Sep-2022


Ratikanta Satapathy
Director

DIN: 08285737

Place: Bengaluru

Date: 29-Sep-2022



Techfino Capital Private Limited

CIN: U65999KA2018PTC114532

No.17065, Prestige Shantiniketan, Mahadevpura, Near ITPL, Whitefield Main Road, Bangalore 560048

Statement of Profit and Loss for the year ended 31st March, 2022

Amounts in '000

Sl. No.	Particulars	Note No.	Year Ended 31st March 2022	Year Ended 31st March 2021
I	Revenue from Operations	17	97,994	21,131
II	Other Income	18	1,008	1,333
III	Total Income (I+II)		99,002	22,464
IV	Expenses:			
	Employee Benefit Expense	19	23,214	9,964
	Depreciation and Amortization	16	964	1,108
	Loan Provision and Write Offs	20	7,882	595
	Finance Cost	21	26,598	1,722
	Other Expenses	22	9,290	3,598
	Total Expenses (IV)		67,948	16,987
V	Profit before Exceptional and extraordinary items and tax (III - IV)		31,054	5,477
VI	Exceptional Item			
VII	Profit before Extraordinary items and tax (V - VI)		31,054	5,477
VIII	Extraordinary items			
IX	Profit before tax (VII - VIII)		31,054	5,477
X	Tax Expense			
	1. Current Tax			
	- for the year		7,998	1,100
	- for earlier years		(495)	-
	2. Deferred Tax		(142)	(27)
XI	Profit (Loss) for the period from continuing operations (IX-X)		23,693	4,405
XII	Profit / (Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit / (Loss) from discontinuing operations (after tax)(XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		23,693	4,405
XVI	Earnings per Equity Share			
	1. Basic		3.01	0.73
	2. Diluted		2.96	0.73

Significant accounting policies and notes to the financial statements

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As per our attached report of even date
for Devas & Venu
Chartered Accountants
Firm Registration No. 014057S

Vinayak Devas
Partner
Membership No. 225341



Place: Bengaluru
Date: 29-Sep-2022

for and on behalf of the Board of Directors of
Techfino Capital Private Limited

Jayaprakash Patra * Rajesh Kumar Panda Ratikanta Satapathy
Director Director Director
DIN: 08173623 DIN: 08682733 DIN: 08285737

Place: Bengaluru Place: Bengaluru Place: Bengaluru
Date: 29-Sep-2022 Date: 29-Sep-2022 Date: 29-Sep-2022



Techfno Capital Private Limited

CIN: U65999KA2018PTC114532

No.17065, Prestige Shantiniketan, Mahadevpura, Near ITPL, Whitefield Main Road, Bangalore 560048

Statement of Cash Flows for the year ended 31st March, 2022

Amounts in '000

Particulars	Year Ended 31-Mar-22	Year Ended 31-Mar-21
I. Cash flow from operating activities		
Net profit after tax	23,692	4,404
adjustments for:		
Income Tax	7,503	1,100
Deferred Tax	(142)	(27)
Depreciation	964	1,108
Gratuity	113	166
Expense on Employee Stock Option Scheme (ESOP)	432	-
Provision for Standard Assets and NPA	7,882	595
Loss on sale of Property, Plant and Equipment	2	-
Capital Gain	(498)	(580)
Dividend Income	(21)	(495)
Interest income	(389)	(15)
	15,846	1,851
Operating profit before working capital changes	39,538	6,255
Adjustments for:		
Decrease/(Increase) in other assets	(186)	(263)
Decrease/(Increase) in long term loans and advances	-	(200)
Decrease/(Increase) in short term loans and advances	(4,08,189)	(62,728)
(Decrease)/Increase in provisions	3,002	2,467
(Decrease)/Increase in other liabilities	52,402	3,791
Cash generated from operations	(3,13,433)	(50,677)
Less: Income tax paid (net off refund)	10,720	821
Net cash flow from operating activities	(3,24,153)	(51,498)
II. Cash flow from investing activities		
Interest received	389	15
Purchase of Mutual Fund	(3,00,004)	(70,253)
Sale of Mutual Fund	2,84,665	89,258
Dividend Income	21	495
Sale of property, plant and equipment	13	-
Payments for acquisition of property, plant and equipment	(856)	(259)
	(15,772)	19,256
Net cash used in investing activities	(15,772)	19,256
III. Cash flow from financing activities		
Proceeds from issue of share capital	18,000	12,000
Proceeds /(Repayment) of borrowings	3,64,096	47,233
Net cash used in financing activities	3,82,096	59,233
Net increase in cash & cash equivalents	42,171	26,991
Cash and cash equivalents as at the beginning	27,808	818
Cash and cash equivalents as at the end of the period	69,979	27,808
Cash & cash equivalents as on :	31st March, 2022	31st March, 2021
Cash in hand	-	-
Cash at bank	69,979	27,808
Cash & cash equivalents as stated	69,979	27,808

As per our attached report of even date

for Devas & Venu

Chartered Accountants

Firm Registration No. 014057S

Vinayak Devas
Partner
Membership No. 225341

Place: Bengaluru
Date: 29-Sep-2022



for and on behalf of the Board of Directors of
Techfno Capital Private Limited

Jayaprakash Petra Rajesh Kumar Panda Ratikanta Satapathy
Director Director Director
DIN: 08173623 DIN: 08682733 DIN: 08285737

Place: Bengaluru Place: Bengaluru Place: Bengaluru
Date: 29-Sep-2022 Date: 29-Sep-2022 Date: 29-Sep-2022



Notes to the financial statements

1 Company Overview

Techfino Capital Private Limited ('the Company'), was incorporated on July 5, 2018 under the Companies Act, 2013. The Company is a Non-Banking Financial Company ('NBFC') engaged in providing end use ensured, short term consumer loans. The Company is registered with the Reserve Bank of India as Type II - Non-Deposit taking NBFC-ND.

2 Significant Accounting Policies

2.01 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared, in accordance with Generally Accepted Accounting principles in India (Indian GAAP), to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), except where otherwise stated. Further, the Company follows prudential norms for Income Recognition, assets classification and provisioning for Non-performing assets as well as contingency provision for standard assets as prescribed by The Reserve Bank of India for Non-Banking Financial Companies. Further, the Company follows the Reserve Bank of India ('RBI') Directions issued for Non-Banking Financial Companies ('NBFC'). The Company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

The financial statements have been prepared based on the going concern concept.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Companies Act, 2013. Based on the nature of assets and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

2.02 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

2.03 Property, Plant, Equipments and Intangibles

a) Property, Plant, Equipments and Intangibles are stated at cost, less accumulated depreciation / amortisation. Costs include all expenses incurred to bring the asset to its present location and condition. Depreciation is provided as per the life of the assets specified under Schedule II of the Companies Act, 2013. Depreciation on additions to assets or sale/disposal is calculated on pro-rata basis on the number of days assets have been put to use. Further, assets having an original cost of less than Rs. 5,000 individually are fully depreciated in the year of purchase. Intangible assets are amortised over the period of three years.

2.04 Revenue recognition

Revenue is considered to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. The Company follows accrual basis of accounting for its income and expenditure except income on assets classified as non-performing assets, which in accordance with the guidelines issued by the Reserve Bank of India for Non-Banking Financial Companies, is recognised on receipt basis.

- a) Interest income from retail loan transactions is recognised on an accrual basis over the period of the contract by applying the interest rate implicit in such contracts.
 - b) Service charges and other fees on loan transactions are recognised at the commencement of the contract.
 - c) Commission and brokerage income: Commission and brokerage income earned for the services rendered are recognised as and when they are due.
 - d) Subvention income on loan transactions are recognised upon disbursement of the same.
 - e) Penalty collected as bounce charges has been recognised on realisation basis.
- Income from investments:
- Dividend from investments is accounted for as income when the right to receive dividend is established.
 - Interest income from investments is accounted on accrual basis.
 - Capital gain on sale of investments recognised as when the investments have been sold.



Notes to the financial statements

2.05 Provisions for Standard / Non-Performing Assets and Doubtful Debts

a) The provisioning / write-off on overdue assets

The provisioning / write-off on overdue assets is as per the management estimates, subject to the minimum provision required as per Master Direction-Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

b) Provision on standard assets

Provision on standard assets has been made at 1.00% which is in accordance with Reserve Bank of India ('RBI') guidelines.

2.06 Foreign currency transactions and translations

The transactions in foreign currency are recognized at the exchange rate prevailing as at the date of the transaction. Any fluctuation in the currency rates upon settlement of the transaction are recognized in the Statement of Profit and Loss either as gain or loss on account of currency fluctuation except otherwise stated. Assets and liabilities denominated in foreign currency and outstanding as at the end of the year are restated for the movement in the currency rates except otherwise stated.

2.07 Investments

Investments are classified into non-current and current investments.

a) Non-Current Investments:

Non-current investments are investments intended to be held for a period of more than a year. Non-current investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

b) Current Investments:

Current investments are investments intended to be held for a period of less than a year. Current investments are stated at the lower of cost and market value, determined on an individual investment basis.

2.08 Employee Benefits

i) Short Term Employee Benefits:

All employee benefits falling due within twelve months of rendering the service are classified as short term employee benefits, which include benefits like salaries, bonus, performance incentives, etc. and are recognized as expense in the period in which the employee renders the related service.

ii) Long Term Employee Benefits:

a) Defined contribution plan: The Company has defined contribution plans for post-employment benefits, namely, Provident Fund. The Company's contributions thereto are charged to Statement of Profit and Loss every year. The Company has contributed to Provident fund which is a defined contribution plan. The contribution paid or payable under the scheme is recognized during the year in which employee renders the related service.

b) Defined benefit plan: The Company has a defined benefit plan for employees, namely Gratuity, the liability for which is determined on the basis of valuation carried out by an independent actuary under projected unit credit method which considers each year of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gains or losses are recognized immediately in statement of profit and loss.

iii) Employee Stock Purchase Plan:

The Company is covered under certain share based compensation plans. Under the plan, the employees/directors of the Company may be granted stock options, stock grants and stock purchase rights of Techfino Capital Private Limited, in accordance with the terms and conditions as specified in these plans. As per the Guidance Note on "Accounting for Employee Share Based Payments", issued by institute of Chartered Accountants of India, the Company is required to record compensation cost and disclose information relating to the options /shares granted to the employees of the Company under the above plan. These plans are assessed, managed and administered by the company whose options/ shares have granted to the employees of the Company. The Company has accounted for and disclosed the details of the above plan as per the Guidance Note. All relevant taxes will be borne by the respective employees and the same has been deducted and remitted to the department by the company.

2.09 Related party disclosure

Disclosure of transactions with Related Parties, as required by Accounting Standard 18 "Related Party Disclosures" have been set out in a separate statement annexed to this Schedule. Related parties as defined under clause 3 of the Accounting Standard have been identified on the basis of representations made by key managerial personnel and information available with the Company.



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Notes to the financial statements

2.10 Earnings per share

In determining Earnings per Share, the Company considers the Net Profit after tax and includes the Post Tax effect of any extraordinary/ exceptional item. The number of shares used in computing Basic and Diluted Earnings per Share is the weighted average number of shares outstanding during the period.

2.11 Taxes on income

Current Tax: Provision for current tax is made on the basis of taxable income for the year under the provisions of Income Tax Act, 1961.

Deferred Tax is recognized, subject to the consideration of prudence as per Accounting Standard 22 – Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India, on the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable/ virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

2.12 Impairment of assets

At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Statement of Profit and Loss to the extent the carrying amount exceeds the recoverable amount.

2.13 Provisions and contingencies

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.14 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, but excludes restricted cash balances.

2.15 Cash flow statement

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

2.16 Accounting for leases

Lease rent in respect of renewable operating leases which are cancellable are charged to profit and loss account. Lease rent in respect of other operating lease are recognized over the lease period and charged to the profit and loss account accordingly.

2.17 Events occurring after balance sheet date

Events which occur between the balance sheet date and the date on which the financial statements are approved, may indicate the need for adjustments to assets and liabilities as at the balance sheet date or may require a disclosure.

There are events which if material, although they take place after the balance sheet date, are required to be reflected in the financial statements (i.e. adjustments to assets and liabilities).

Events occurring after the balance sheet date which do not affect the figures stated in the financial statements would require disclosure in the financial statements.



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(number of shares are in absolute number and the value in thousands)

Notes to the financial statements

Amounts in '000

Note No.	Particulars	As at 31-03-2022		As at 31-03-2021	
		No. of Shares	Amount	No. of Shares	Amount
3	Share Capital				
	Equity Shares				
	A. Authorized				
	Equity shares of Rs.10/- each fully paid up	1,60,00,000	1,60,000	85,00,000	85,000
	B. Issued				
	Equity shares of Rs.10/- each fully paid up	80,50,000	80,500	70,50,000	70,500
	C. Subscribed and fully paid-up				
	Equity shares of Rs.10/- each fully paid up	80,50,000	80,500	70,50,000	70,500
	Total Equity	80,50,000	80,500	70,50,000	70,500
	Preference Shares				
	A. Authorized				
	Non-Cumulative, Compulsory Convertible 0.01% Preference shares of Rs.10/- each	40,00,000	40,000	15,00,000	15,000
	B. Issued				
	Non-Cumulative, Compulsory Convertible 0.01% Preference shares of Rs.10/- each	15,00,000	15,000	15,00,000	15,000
	C. Subscribed and partly paid-up				
	Non-Cumulative, Compulsory Convertible 0.01% Preference shares of Rs.10/- each (Rs.1/- paid)	15,00,000	1,500	15,00,000	1,500
	Total Preference shares	15,00,000	1,500	15,00,000	1,500

3.1 Reconciliation of shares at the beginning and end of the year

Particulars	As at 31-03-2022		As at 31-03-2021	
	No. of Shares		No. of Shares	
Equity Shares				
Opening balance	70,50,000		60,00,000	
Add : Fresh Issue	10,00,000		10,50,000	
Add : Rights issue during the year	-		-	
Less: Bought back during the year	-		-	
Closing balance	80,50,000		70,50,000	
Preference Shares				
Opening balance	15,00,000		-	
Add: Issued during the year	-		15,00,000	
Less: Bought back during the year	-		-	
Closing Balance	15,00,000		15,00,000	



3.2 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at 31-03-2022		As at 31-03-2021	
	Number of Shares	Percent of holding	Number of Shares	Percent of holding
Equity Shares				
DCB Bank	6,00,000	7.45%	6,00,000	8.51%
Jayaprakash Patra	21,50,000	26.71%	21,50,000	30.50%
Ratikanta Satapathy	21,50,000	26.71%	21,50,000	30.50%
Rajesh Kumar Panda	21,50,000	26.71%	21,50,000	30.50%
Total	80,50,000	87.58%	70,50,000	100.00%

Particulars	As at 31-03-2022		As at 31-03-2021	
	Number of Shares	Percent of holding	Number of Shares	Percent of holding
Non-Cumulative, Compulsory Convertible Preference Shares				
Jayaprakash Patra	5,00,000	33.333%	5,00,000	33.333%
Ratikanta Satapathy	5,00,000	33.333%	5,00,000	33.333%
Rajesh Kumar Panda	5,00,000	33.333%	5,00,000	33.333%
Total	15,00,000	100.00%	15,00,000	100.00%

3.3 Details of shares held by promoters

Particulars	As at 31-03-2022		As at 31-03-2021	
	Number of Shares	Percent of holding	Number of Shares	Percent of holding
Equity Shares				
Jayaprakash Patra	21,50,000	26.71%	21,50,000	30.50%
Ratikanta Satapathy	21,50,000	26.71%	21,50,000	30.50%
Rajesh Kumar Panda	21,50,000	26.71%	21,50,000	30.50%
Total	64,50,000	80.13%	64,50,000	91.50%
Preference Shares				
Jayaprakash Patra	5,00,000	33.333%	5,00,000	33.333%
Ratikanta Satapathy	5,00,000	33.333%	5,00,000	33.333%
Rajesh Kumar Panda	5,00,000	33.333%	5,00,000	33.333%
Total	15,00,000	100.00%	15,00,000	100.00%



3.4 Rights, preferences and restrictions attached to shares

The Company has only one class of equity share, having a par value of ₹ 10 each. Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares carry a preferential right as to dividend over equity shareholders. Where dividend on cumulative preference shares is not declared for a financial year, the entitlement thereto is carried forward whereas in the case of non-cumulative preference shares, the entitlement for that year lapses. The preference shares are entitled to one vote per share at meetings of the Company on any resolutions of the Company directly affecting their rights. However, a cumulative preference shareholder acquires voting rights on par with an equity shareholder if the dividend on preference shares has remained unpaid for a period of not less than two years. For a non-cumulative preference shareholder, such a right arises if the dividend has remained unpaid for a period of not less than two years or for any three years during a period of six years ending with the financial year preceding the meeting. However non cumulative preference shareholder can waive the dividend payable on such shares. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

As per the terms of conversion, Preference Shares shall be convertible into Equity Shares at a 1:1 conversion ratio in accordance with the provisions of Companies Act 2013, and the rules made thereunder.



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(all the numbers are in thousands and the footnotes are in absolute numbers)**Notes to the financial statements**

Amounts in '000

Note No.	Particulars	As at 31st March 2022	As at 31st March 2021
4	Reserves and Surplus		
4.1	Special Reserve *		
	Opening Balance	881	-
	Add: Transferred from the Profit for the year	4,738	881
	Less: Appropriation during the year	-	-
	Closing Balance	5,619	881
4.2	Securities Premium		
	Opening Balance	-	-
	Add: Issued during the year	8,000	-
	Less: Appropriation during the year	-	-
	Closing Balance	8,000	-
4.3	Surplus / (Deficit) in Statement of Profit and Loss		
	Opening Balance	(227)	(3,750)
	Add: Profit / (Loss) for the year	23,692	4,404
	Less: Transferred to Special Reserve *	4,738	881
	Closing Balance	18,727	(227)
4.4	Employee Stock Options Outstanding		
	Options granted till date	-	-
	Add: Compensation for options granted during the year	432	-
	Less: Transfer to Security Premium on exercise of stock options during the year	-	-
	Closing Balance	432	-
	Total Reserves and Surplus (4.1) + (4.2) + (4.3) + (4.4)	32,778	654

* Special Reserve has been created as per the provisions of Section 45-IC of the Reserve Bank of India Act, 1934. As per the requirements of the said Section, 20% of the profit for the year has been transferred to special reserve.



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Amounts in '000

Note No.	Particulars	As at 31st March 2022	As at 31st March 2021
5	Long Term Borrowings (Secured Loan)		
	Debentures		
	12.9% Secured, Non-Convertible Debentures (Refer Note 5.1 below)	53,800	-
	14% Secured, Non-Convertible Debentures (Refer Note 5.2 below)	44,625	-
	(A)	<u>98,425</u>	<u>-</u>
	Less: Current Maturities of NCD	56,650	-
	(B)	<u>56,650</u>	<u>-</u>
	C = (A-B)	<u>41,775</u>	<u>-</u>
	-From Banks (Refer Note 5.3 and Note 5.4 below)	87,417	20,000
	-From Non Banking Financial Companies (Refer Note 5.3 and Note 5.4 below)	1,82,505	10,000
	(D)	<u>2,69,922</u>	<u>30,000</u>
	Less: Current Maturities of Long Term Debt		
	-From Banks	62,000	9,583
	-From Non Banking Financial Companies	1,02,082	4,619
	(E)	<u>1,64,082</u>	<u>14,203</u>
	F = (D-E)	<u>1,05,840</u>	<u>15,797</u>
	(Unsecured Loan)		
	Debentures		
	1% Unsecured Compulsory Convertible Debentures (Refer Note 5.5 below)	42,150	-
	(G)	<u>42,150</u>	<u>-</u>
	Total [H = (C+F+G)]	<u>1,89,765</u>	<u>15,797</u>

5.1 Debentures are secured by identified receivables as per the terms and conditions stipulated in the transaction documents. Interest of 12.9% to be paid on quarterly on the last working day of March, June, September and December on the outstanding balances of NCD. Tenure of the debenture is 24 months and to be redeemed in four equal tranches on completion of 6, 12, 18 and 24 months from the closure of the issue. Each debenture will be redeemed at par.

5.2 Debentures are secured by identified receivables as per the terms and conditions stipulated in the transaction documents. Interest of 14% to be paid on quarterly basis. Tenure of the debenture is 24 months and to be redeemed in four equal tranches on completion of 6, 12, 18 and 24 months from the closure of the issue. Each debenture will be redeemed at par.

5.3 All the loans and advances from the banks and others are secured by exclusive charge on the receivables. Further, directors have given the personal guarantee for loan of Rs. 8,76,88,541 which is outstanding as on 31st March 2022. Also, margin money of 10% is given in the form of fixed deposit against the loan taken from the banks.

5.4 Terms of repayment of borrowings and rate of interest:

Loan taken from	Outstanding Amount	Interest Rate	Repayment Duration
- Bank	22,000	12.00%	15 months
	16,667	12.00%	26 months
	48,750	11.25%	26 months
- Non Banking Financial Companies	12,772	14.35%	24 months
	10,000	13.50%	24 months
	1,59,733	14.00%	24 months

Previous year

Loan taken from	Outstanding Amount	Interest Rate	Repayment Duration
- Bank	20,000	12.00%	24 months
- Non Banking Financial Companies	10,000	15.35%	24 months



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Amounts in '000

Note No.	Particulars	As at 31st March 2022	As at 31st March 2021
5.5	The Tenure of the CCD shall be 15 Months from the date of allotment. The CCD is unsecured and shall have a rate of interest of 1% p.a. payable annually. Further, subject to the applicable regulations, including RBI approval as may be necessary, the CCD will be converted to equity shares immediately prior to or simultaneously with Series A Round Closing on the following basis: • For every 9 CCD fully paid up equity shares to be issued would be computed as follows: 90 divided by 77% of Series A Round price. In the event that the Series A Round is not completed within 12 months the date of Closing of the Bridge Round, then conversion ratio would be 9 CCD is equal to 1 Equity Share, subject to the applicable regulations, including RBI approval as may be necessary.		
6	Deferred Tax (Asset) / Liability Property, Plant, equipment and Intangible: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	174 (230)	160 (74)
	Net Deferred Tax (Asset) / Liability	(56)	86
7	Long Term Provision Provision for Employee Benefit (Refer Note No. 7.1)	278	166
		278	166
7.1	Provision for Gratuity has been made as per the actuarial valuation obtained for the current financial year. Non-current liability has been disclosed under long-term provision and current liability has been disclosed under short-term provision. However, for the FY 2020-21, the provision was created as per the Gratuity Act and all the amount has been disclosed under long-term provision.		
8	Short Term Borrowings (Secured Loan) Term Loan -From Banks (Refer Note No. 8.1 and Note No. 8.2 below) -From Non Banking Financial Companies (Refer Note No. 8.1 and Note No. 8.2 below) Current Maturities of Long Term Debt -From Banks -From Non Banking Financial Companies -NCD	833 - 62,000 1,02,082 56,650	10,000 7,233 9,583 4,619 -
		2,21,565	31,436
8.1	Loans and advances from banks and others are secured by exclusive charge on the receivables and personal guarantee given by directors.		
8.2	Terms of repayment of borrowings and rate of interest: As per terms of agreements loan from banks aggregating Rs. 8,33,337 (Previous Year: Rs. 1,00,00,000) are repayable at maturity ranging 12 months from the date of respective loan. Rate of interest payable on term loans is 12%. As per terms of agreements loan from others aggregating Rs. Nil (Previous Year: Rs. 72,32,897) are repayable at maturity ranging 12 months from the date of respective loan. Rate of interest payable on term loans is 15.75%.		
9	Other Current Liabilities / Expenses Payable Interest Accrued But Not Due Statutory Dues Creditors for Expenses (Refer Note No. 9.1) Accrued Liabilities (Refer Note No. 9.2) Employee Dues	1,730 5,922 4,428 42,876 1,462	169 619 - 3,281 4
	Total	56,418	4,072



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Amounts in '000

Note No.	Particulars	As at 31st March 2022	As at 31st March 2021
9.1	As per the information available with the Company, there are no outstanding dues payable to MSME. Also refer note 27.04 for the detailed disclosure.		
9.2	Accrued Liabilities includes an amount of Rs. 3,85,29,585 payable to business partners with whom lead referral and financing agreements have been entered. This includes an amount of Rs. 2,60,52,016 towards tranches payable in future, Rs. 68,93,795 payable to partner based on the realisation from customers and Rs. 55,83,775 withheld as margin money.		
10	Short Term Provision		
	Provision for Income Tax (net of Advance Tax and TDS Receivable)	-	215
	Provision for Employee Benefit (Refer Note No. 7.1)	1	-
	Total	1	215
11	Other non-current assets		
	(unsecured, considered good unless otherwise stated)		
	Rental Deposit	400	400
	Total	400	400
12	Current Investments		
	(Quoted Investments)		
	Investments in Mutual Funds	16,477	640
	Total	16,477	640
	Cost of the investment: Rs. 1,64,76,937/- (PY: Rs. 6,39,762/-)		
	Market Value of the investment: Rs. 1,64,96,880/- (PY: Rs. 6,39,955/-)		
13	Cash and Cash Equivalents		
	(i) Balances with Bank		
	- in current accounts	57,745	25,808
	- in fixed deposit accounts (Refer Note No. 13.1)	12,234	2,000
	(ii) Cash on Hand	-	-
	Total	69,979	27,808
13.1	Fixed Deposits have been issued as margin money towards bank guarantee against loan taken from the Banks.		
14	Short Term Loans and Advances		
	Unsecured, considered good		
	Loans and advances (Gross)	4,93,210	89,413
	Less: Provision for Standard Assets and Non-Performing Assets	(7,759)	(1,334)
	Loans and advances (Net)	4,85,452	88,078
	Receivable from Partners	271	3,936
	Prepaid Expense	3,990	476
	Balance with Government Authorities (Refer Note No. 14.1)	3,086	-
	Total	4,92,798	92,491
14.1	Balance with Government Authorities represents the Advance Tax and TDS Receivable which is net off of Provision for Income Tax.		
15	Other Current Assets		
	Interest Receivable	-	296
	Processing Fee Receivable	57	113
	Other Current Assets	549	61
	Receivable from Employees	-	4
	Total	606	475



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Note 16: Property, Plant, Equipment and Intangibles

A. Property, Plant and Equipments:	Gross Block				Depreciation			Net Block	
	Balance as at 01/04/2021	Additions	Deletions	Balance as at 31/03/2022	Balance as at 01/04/2021	Depreciation for the year	Deletions	Balance as at 31/03/2022	Balance as at 31/03/2021
Laptops	568	762	-	1,360	137	273	-	950	461
Office Equipments	18	93	18	93	2	15	2	79	16
Current Year	615	856	18	1,453	139	288	2	1,029	476
Previous Year	356	259	-	615	21	118	-	476	335
B. Intangible Assets:									
	Gross Block				Amortisation			Net Block	
	Balance as at 01/04/2021	Additions	Deletions	Balance as at 31/03/2022	Balance as at 31/03/2021	Amortisation for the year	Deletions	Balance as at 31/03/2022	Balance as at 31/03/2021
Computer software	3,818	-	-	3,818	1,682	677	-	1,460	2,136
Current Year	3,818	-	-	3,818	1,682	677	-	1,460	2,136
Previous Year	3,818	-	-	3,818	692	990	-	2,136	3,126



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Notes to the financial statements

Amounts in '000

Note No.	Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
17	Revenue from operations		
	Subvention Income	82,281	15,606
	Interest Income	1,669	2,347
	Processing and Cancellation Fees	12,769	2,890
	Penalty Income	1,275	288
	Total	97,994	21,131
18	Other Income		
	Interest Income on Income Tax Refund	-	3
	Interest on Fixed Deposits	389	15
	Dividend	21	495
	Capital Gains	498	580
	Miscellaneous Income	100	240
	Total	1,008	1,333
19	Employee Benefits Expense		
	Salaries, Stipend and Bonus	15,281	5,596
	Directors' Remuneration	6,671	4,102
	Contribution to provident funds and other funds	582	17
	Gratuity	113	166
	Staff welfare expenses	134	84
	Expense on Employee Stock Option Plan (ESOP)	432	-
	Total	23,214	9,964
20	Loan Provisions And Write Offs		
	Provision for standard assets	4,017	580
	Provision for non-performing assets	2,742	(43)
	Loan loss	1,123	58
	Total	7,882	595
21	Finance Cost		
	Bank Charges	742	186
	Loan Processing Fees	3,605	752
	Interest on Borrowings	22,252	783
	Total	26,598	1,722
22	Other Expenses		
	Payment to Auditors	718	400
	Business Promotion	273	255
	Bureau Expense	969	219
	Insurance Expense	80	172
	Legal, Professional and Technical Fees	2,417	1,095
	Office Expense	170	47
	Office Rent	910	542
	Rates & Taxes	1,273	360
	Travelling and Conveyance Expenses	114	33
	Webhosting, Domain & Subscription Charges	2,242	412
	Miscellaneous Expense	122	64
	Loss on Sale of Asset	2	-
	Total	9,290	3,598



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(number with respect to earning per share are in absolute numbers and all other values are in thousands)

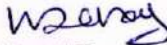
Notes to the financial statements

Amounts in '000

- 27.10** The records relating to processing, disbursement and collection of loans and advances are maintained in a loan management software ('LMS') which is separate from the books of account. The books of account have been primarily maintained in a cloud-based accounting tool QuickBooks ("QB"). The LMS and QB have been reconciled annually on an overall basis.
- 27.11** In the opinion of the Board of Directors; Current Assets, Loans and Advances have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated.
- 27.12** All the figures have been stated in thousands except number of shares, earning per share and wherever stated otherwise.
- 27.13** Previous year figures have been regrouped/re-classified where necessary to conform to this year's classification.

As per our report of even date attached

for Devas & Venu
Chartered Accountants
Firm registration number: 014057S


Vinayak Devas
Partner

Membership number: 225341

Place: Bengaluru
Date: 29-Sep-2022

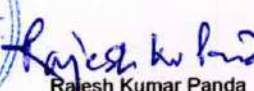


for and on behalf of the Board of Directors of
Techfino Capital Private Limited


Jayaprakash Patra
Director
DIN: 08173623

Place: Bengaluru
Date: 29-Sep-2022




Rajesh Kumar Panda
Director
DIN: 08682733

Place: Bengaluru
Date: 29-Sep-2022




Ratikanta Satapathy
Director
DIN: 08285737

Place: Bengaluru
Date: 29-Sep-2022



Asset Side	Amount Outstanding	Amount Outstanding
Long term Investment		
1. Quoted		
i) Shares		
a) Equity	Nil	Nil
b) Preference	Nil	Nil
ii) Debentures and bonds	Nil	Nil
iii) Units of mutual funds	Nil	Nil
iv) Government Securities	Nil	Nil
v) Others (please specify)	Nil	Nil
2. Unquoted		
i) Shares		
a) Equity	Nil	Nil
b) Preference	Nil	Nil
ii) Debentures and bonds	Nil	Nil
iii) Units of mutual funds	Nil	Nil
iv) Government Securities	Nil	Nil
v) Others (please specify)	Nil	Nil
	<u>Nil</u>	<u>Nil</u>

5 Borrower group-wise classification of assets financed as in (2) and (3) above :

Amounts in ₹

Category	FY 2021-22			FY 2020-21		
	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	-	48,54,51,543	48,54,51,543	-	8,80,78,313	8,80,78,313
Total	-	48,54,51,543	48,54,51,543	-	8,80,78,313	8,80,78,313

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

Category	FY 2021-22		FY 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	1,64,96,880	1,64,76,937	6,39,955	6,39,762
Total	1,64,96,880	1,64,76,937	6,39,955	6,39,762

7 Other information

Amounts in ₹

Particulars	FY 2021-22	FY 2020-21
i) Gross Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	27,42,414	4,44,727
ii) Net Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	-	-
iii) Assets acquired in satisfaction of debt	-	-
Total	27,42,414	4,44,727



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23 Employee Benefits

The company has accounted for defined benefit plans in the form of gratuity to employees as per actuary valuation as at 31-Mar-2022. The actuarial assumptions in respect of the benefit plan are as under:

i) Principal Actuarial Assumptions

Particulars	2021-22
Discount rate	6.92%
Salary growth rate	10.00%
Withdrawal rate	20.00%

ii) Table showing changes in present value of obligations

Particulars	2021-22
Present value of obligations as at beginning of year	166
Current service cost	186
Interest cost	11
Actuarial gain/(loss)	(84)
Benefits settled	-
Present value of obligations as at end of year	278

iii) Actuarial gain/loss recognised

Particulars	2021-22
Total actuarial loss/gain	(84)

iv) Amount to be recognised in the Balance Sheet

Particulars	2021-22
Present value of obligations as at the end of year - Non Current	278
Present value of obligations as at the end of year - Current	1



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24 Other Statutory Information

- (i) The Company does not have any proceeding initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988.
- (ii) The company doesn't have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (iii) The Company do not have charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- (iv) The Company has not traded or invested in crypto currency or virtual currency during the year.
- (v) The Company has not advanced or given loan or invested funds to any other person(s) or entity(ies), including foreign entities ('intermediaries') with the understanding that the intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the Company; or
 - (b) provide any gurantee, security or the like to or on behalf of the Company;
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities with the understanding that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the Funding person or entity; or
 - (b) provide any gurantee, security or the like on behalf of the funding person or entity;
- (vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income
- (viii) The Company has borrowed money from banks and financial institutions on the basis of current assets during the year. Further, the quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the loan book maintained by the Company in a separate module.
- (ix) The Company has used the borrowings from banks and non banking financial institutions for specific purpose for which it was taken.
- (x) The Company has complied with the number of layers prescribed under the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- (xi) The Company is not declared as a wilful defaulter by any bank or financial institution
- (xii) The Company has not entered into any scheme or arrangement in terms of Section 230 to Section 237 of the Companies Act, 2013.
- (xiii) The provison of Section 135 relating to Corporate Social Responsibility is not applicable to the Company.



25 Employee Stock Option Plan

- a) The Company instituted the Employees Stock Option Plan ('ESOP 2021') during the year, which was approved by the Board of Directors. Options under this program have been granted to employees with an exercise price of Rs 10. All stock options have four years vesting term from the date of grant in proportions specified in scheme. Each option is entitled to 1 equity share of Rs.10 /- each. This program extends to employees who have been issued employment offer with ESOP as part of compensation.

Particulars	For the year ended 31 March 2022
	Options (Numbers in '000)
Granted during the year *	565
Vested during the year	-
Exercised during the year	-
Lapsed during the year	160
Forfeited during the year	-
Outstanding options, end of the year	405
Options vested and exercisable, end of the year	-
Range of exercise price for options outstanding at the end of the year	NA

* ESOP granted during the year includes 1,50,000 shares granted to directors who are also the promoters of the Company. As the Company has been recognised as a startup by the Department for Promotion of Industry and Internal Trade (DPIIT) vide certificate no. DIPP31214 dated 01st January 2019, the same is in line with the provisions of the section 62 of the Companies Act, 2013 read with rule 12 of the Companies (Share Capital and Debentures) Rules, 2014.

- b) The fair value of the options have been determined based on the valuation obtained from the registered
- c) The assumptions used in this model for calculating fair value are as below:

Assumptions	For the year ended 31 March 2022
Stock price now (P)	18
Exercise price of Option (EX)	10
Number of periods to Exercise in years (t)	4

- d) Total expense recognised for the period arising from share based payments (Amount in '000)

Particulars	For the year ended 31 March 2022
Expense on Employee Stock Option Scheme (ESOP)	432
Total	432



Type of arrangement	General employee stock option
Date of grant	31-July-2021
Number granted	565
Contractual life	8 Years
Vesting conditions	Vesting of Options so granted will take place over a period of four years in the manner, as may be decided by the Committee subject to the employees continuity in the employment of the organization
Exerise period	The vested Options can be exercised according to the terms and conditions as determined and mentioned under the Scheme
Method of Settlement	Through allotment of equity shares



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(All the amounts are in thousands and the ratios are in absolute numbers)

26 Ratios

Amounts in '000

S.No.	Particulars	For the Year 2021-22		For the Year 2020-21	
1	Current Ratio				
	<i>Current Assets</i>				
	Current Investments	16,477		640	
	Cash and Bank Balances	69,979		27,808	
	Short term loans and advances	4,92,798		92,491	
	Other current assets	606		475	
			5,79,859		1,21,414
	<i>Current Liabilities</i>				
	Short Term Borrowings	2,21,565		31,436	
	Other current liabilities	56,418		4,072	
	Short Term Provisions	1		215	
		-	2,77,984	-	35,723
	Current Ratio		2.09		3.4
2	Debt-Equity Ratio (refer note below)				
	<i>Debts</i>				
	Long Term Borrowings	2,69,922		15,797	
	Non-Convertible Debentures	98,425		-	
	Short Term Borrowings	833		17,233	
		-	3,69,180	-	33,030
	<i>Equity</i>				
	Equity Share Capital	80,500		70,500	
	Preference Share Capital	1,500		1,500	
	Compulsory Convertible Debentures	42,150		-	
	Reserves & Surplus	32,778		(3,750)	
			1,56,928		68,250
	Debt-Equity Ratio		2.35		0.48
	Note: As per the Master Circular issued by the RBI, Compulsory Convertible Debenture (CCD) are part of the net owned fund and the same has been considered accordingly to calculate Debt-Equity Ratio.				
3	Debt- Service Coverage Ratio				
	<i>Debt - Earnings Available for Debt Service</i>				
	Net Profit	23,692		4,404	
	Non-Cash Operating Expenses	8,427		761	
	Non Operating Adjustments	-		-	
		-	32,118	-	5,165
	<i>Service</i>				
	Interest	26,598		1,722	
	Instalments	1,01,353		3,245	
			1,27,951		4,967
	Debt- Service Coverage Ratio		0.25		1.04



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(All the amounts are in thousands and the ratios are in absolute numbers)

26 Ratios

4	Return on Equity Ratio				
	<i>Profit After Taxes</i>	23,692	23,692	4,404	4,404
	<i>Net Worth</i>				
	Total Assets	5,82,805		1,24,426	
	Less: Liabilities				
	Non-Current Liabilities	1,47,893		16,049	
	Current Liabilities	2,77,984	1,56,928	35,723	72,654
	Return on Equity Ratio		0.15		0.06
5	Inventory Turnover Ratio				
	<i>Revenue</i>		-		-
	<i>Inventory</i>		-		-
	Inventory Turnover Ratio		NA		NA
6	Trade Receivables Turnover Ratio				
	<i>Turnover</i>	-	-	-	-
	<i>Revenue</i>				
	<i>Average Trade Receivables</i>				
	Opening Trade Receivables	-	-	-	-
	Closing Trade Receivables	-	-	-	-
	Trade Receivables Turnover Ratio		NA		NA
7	Trade Payables Turnover Ratio				
	<i>Turnover</i>				
	<i>Revenue</i>	-	-	-	-
	<i>Average Trade Payables</i>				
	Opening Trade Payables	-	-	-	-
	Closing Trade Payables	-	-	-	-
	Trade Payables Turnover Ratio		NA		NA
8	Net Capital Turnover Ratio				
	<i>Turnover</i>				
	<i>Revenue</i>	97,994	97,994	21,131	21,131
	<i>Capital Employed</i>				
	Equity Share Capital	80,500		70,500	
	Reserves & Surplus	32,778		654	
	Preference Share Capital	1,500		1,500	
	Debentures & Other Long Term Loan	1,89,765		15,797	
	Less: Misc. Expenditure & Losses	-		-	
	Less: Non- Trade Investments	16,477	3,21,020	640	89,091
	Net Capital Turnover Ratio		0.31		0.24



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(All the amounts are in thousands and the ratios are in absolute numbers)

26 Ratios

9	Net Profit Ratio				
	<i>Net Profit</i>	23,692	23,692	4,404	4,404
	<i>Turnover Revenue</i>	97,994	97,994	21,131	21,131
	Net Profit Ratio		0.24		0.21
10	Return on Capital Employed				
	<i>Return Profit before Interest and tax</i>	57,651	57,651	7,198	7,198
	<i>Capital Employed</i>				
	<i>Total Assets</i>	5,82,804		1,24,426	
	<i>Less: Current Liability</i>	2,77,984	3,04,820	35,723	88,703
	Return on Capital Employed		0.19		0.08
11	Return on Investment				
	<i>Return Profit after tax</i>	23,692	23,692	4,404	4,404
	<i>Investment Total Advance</i>	4,92,798	4,92,798	92,491	92,491
	Return on Investment		0.05		0.05

The Company has scaled up its operation in terms of lending, borrowing, revenue and expenditure. Hence, most of the ratios varied beyond 25%.



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(number with respect to earning per share are in absolute numbers and all other values are in thousands)

Notes to the financial statements

Amounts in '000

27 General Notes**27.01 Auditors' Remuneration**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
As auditor for statutory audit	440	240
For other services	278	160
	718	400

Note: amount mentioned above is exclusive of goods and services tax.

27.02 Earnings per share

Net profit / (loss) attributable to equity shareholders for calculation of basic EPS	2,36,92,833	44,04,948
Weighted average number of equity shares for calculation of Basic Earnings Per Share	78,63,699	60,02,877
Weighted average number of equity shares for calculation of Diluted Earnings Per Share	80,13,699	60,03,288
Basic Earnings Per Share (Rs.)	3.01	0.73
Diluted Earnings Per Share (Rs.)	2.96	0.73

Note: The Company has issued Compulsory Convertible Debentures (CCD) worth of Rs. 4,21,50,000/- during the year. As per the terms of issuance, the conversion of the same into certain number of equity shares is dependent on happening of a future event. However, as on the balance sheet date, number of shares can not be ascertained reliably and hence, the Company has not considered the CCD for weighted average shares for calculation of diluted earnings per share.

27.03 Related party disclosures

Aggregate related party disclosures as at and for the year ended 31 March 2022

(A) Name of related parties and description of relationship:

Parties where control exists

-

Key management personnel

Jayaprakash Patra
Ratikanta Satpathy
Rajesh Kumar Panda

(B) Related party transactions

Nature of transaction	For the year ended 31 March 2022	For the year ended 31 March 2021
Loan Taken from Directors		
Jayaprakash Patra	-	200
Ratikanta Satpathy	-	2,400
Rajesh Kumar Panda	-	1,000
Remuneration		
Jayaprakash Patra	2,249	1,399
Ratikanta Satpathy	2,044	1,374
Rajesh Kumar Panda	2,378	1,328
Reimbursement of expense		
Jayaprakash Patra	880	212
Ratikanta Satpathy	441	29
Rajesh Kumar Panda	344	248



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Notes to the financial statements

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(C) Closing Balance	For the year ended 31 March 2022	For the year ended 31 March 2021
Remuneration payable		
Jayaprakash Patra	59	59
Ratikanta Satpathy	32	32
Rajesh Kumar Panda	28	28
Expense reimbursable		
Jayaprakash Patra	20	2
Ratikanta Satpathy	-	-
Rajesh Kumar Panda	19	2
Compulsory Convertible Debentures allotted to Directors		
Jayaprakash Patra	14,050	-
Ratikanta Satpathy	14,050	-
Rajesh Kumar Panda	14,050	-

27.04 Dues to micro and small enterprises

The Ministry of Micro, Small and Medium enterprises has issued an office Memorandum dated 26 August 2008 which recommends that the Micro and Small enterprises should mention in their correspondence with its customers the entrepreneur's Memorandum number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprise as at 31 March 2022 has been made in the financial statements based on information received and available with the Company. Further, in view of the Management, the impact of interest, if any, that may be payable in accordance with the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
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 MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-



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(number with respect to earning per share are in absolute numbers and all other values are in thousands)

Notes to the financial statements

Amounts in '000

27.05 Earnings / expenditure in foreign currency

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Earnings in foreign currency	Nil	Nil
Expenditure in foreign currency	Nil	Nil

27.06 Leases

For the year ended 31 March 2022 For the year ended 31 March 2021

(a). Particulars of premises taken on operating lease:

The Company has entered into operating lease arrangements for a shared office premises in Bengaluru. The lease agreement provides for a lock in period of twenty (24) months starting from March 1, 2020.

At the balance sheet date, the commitments in respect of operating leases were as follows:

- Not later than one year	-	5,50,000
- Later than one year, not later than five years	-	-
- More than five years	-	-

27.07 Contingent liabilities and commitments

For the year ended 31 March 2022 For the year ended 31 March 2021

a) Contingent liabilities	Nil	Nil
b) Commitments	Nil	Nil
c) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil

27.08 The Chapter IV - Prudential Regulations of Section II : Prudential Issues of the RBI Master Direction DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016 "Master Direction - Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 prescribe guidelines for asset classification / provisioning norms.

In this regard, the provision for non-performing assets as identified by the management of the Company has been made in accordance with the guidelines issued by the Reserve Bank of India (RBI). As per the practice consistently followed, the Company has also made accelerated provision of Rs. 27,42,414 (31 March 2021: provision reversal of Rs. 43,404) on a prudential basis. In accordance with the Master direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016 issued by RBI vide its directions to all NBFC's, the Company has made provision on standard assets at the rate of 1.00% outstanding as on the date of the Balance Sheet and accordingly, provision of Rs. 40,16,649 (31 March 2021: 5,80,046) has been made during the current year.

27.09 The disclosure required in terms of paragraph 18 of Chapter IV - Prudential Regulations of Section II : Prudential Issues of the RBI Master Direction DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016 "Master Direction - Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 is given in Annexure A forming part of these financial statements.



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