

ANNUAL REPORT

2021-2022

27TH ANNUAL REPORT



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BUSINESS CONTINUITY



THANK YOU!

to all our clients and
Staff Members for
their support.

DIGAMBER CAPFIN LIMITED

We Digamber Capfin Limited are the fast-growing NBFC – MFI with an AUM of Rs. 1029 crore with CAGR of 50% since 2009, with 3.5 lakh+ active borrowers, Human asset of 2200+ personnel & wide spread branch network of 200+ branches in 9 states. We are among the top 20 NBFC-MFI operating across India.

COMPANY

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Our Vision

**“THE PHILOSOPHY
BEHIND CONTINUOUS DEVELOPMENT
ON THE SATISFACTION OF THE
CUSTOMERS
& AT DCL WE ARE VERY MUCH
CONCERNED WITH THIS**

OUR CORE VALUES



**CUSTOMER
FIRST**



INTEGRITY



**TRANSPARE
NCY**

DCL / LD / No 0119092

DCL

किसत जमा डायरी
विकास बैंक संपर्क करें
—1800 1806 365

सदस्य विकास बैंक डी

ब्रॉच कोड	सेक्टर कोड	ग्रुप कोड	मेम्बर कोड
056	0369	0369	08

सदस्य का नाम: देवली
पति का नाम: आपुर्वा
सदस्य का पता: 8/06760011
मनदी - आकरिया
पतापत्र
मनदी - आकरिया 8
24/8/2018

18/07/2020

6

Our Mission

OUR MOTTO IS TO EMPOWER THE NO CREDIT ACCESS POOR WITH FINANCIAL SUPPORT AT REASONABLE COST AN IN A TRANSPARENT MANNER WITH THE HELP OF TECHNOLOGY AND AIM TO ACHIEVE ACCEPTABLE RETURNS ON OUR INVESTMENTS

क्र. संख्या	दिनांक	पूर्व प्रविष्टि की राशि	आर.को. की दरमादार	आप.भूक की दरमादार
1.	24/8/18	2230	18	
2.	31/3/18	2230	18	
3.	15/10/18	2230	16	
4.	16/11/18	2230	18	Hand
5.	14/12/18	2230	18	
6.	11/1/19	2230	18	
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**FAIR, RESPONSIBLE
& BE HONEST**



**COMPLIANCE &
REGULATIONS**

CORPORATE INFORMATION

**Company
Identification Number**
U67120RJ1995PLC009862

Company's Official Website
<https://www.digamberfinance.com>

Company's Official E-Mail
info@digamberfinance.com

Statutory Auditors
KALANI & COMPANY
Chartered Accountants
705, VII Floor, Milestone Building, Gandhi Nagar
Crossing, Tonk Road Jaipur, Rajasthan 302015

Registrar & Transfer Agent
CDSL Ventures Ltd.
I-202, Deck Level, Tower No.4, 2nd Floor above
Belapur Railway Station, Belapur,
Navi Mumbai-400614

Debenture Trustee
Catalyst Trusteeship Ltd
Windsor, 6th Floor, Office No.604,
C.S.T Road, Kalina, Santacruz (E)
Mumbai-400098

Registered & Corporate Office
Digamber Capfin Ltd
J-54&55, IIInd Floor, Anand Moti, Himmat Nagar,
Gopalpura, Tonk Road, Jaipur-302018
Toll Free 1800 1806 365

KEY PERFORMANCE INDICATOR

OPERATIONAL

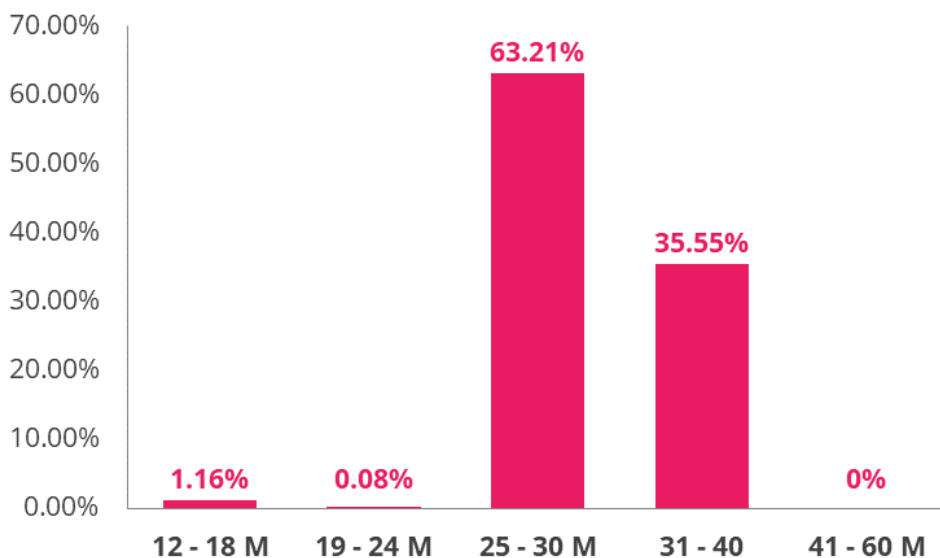
Branches :	183 IN 7 STATES & 1 UT
Employees :	2067
Loan Officer :	1428
Active Borrowers :	307901

FINANCIAL

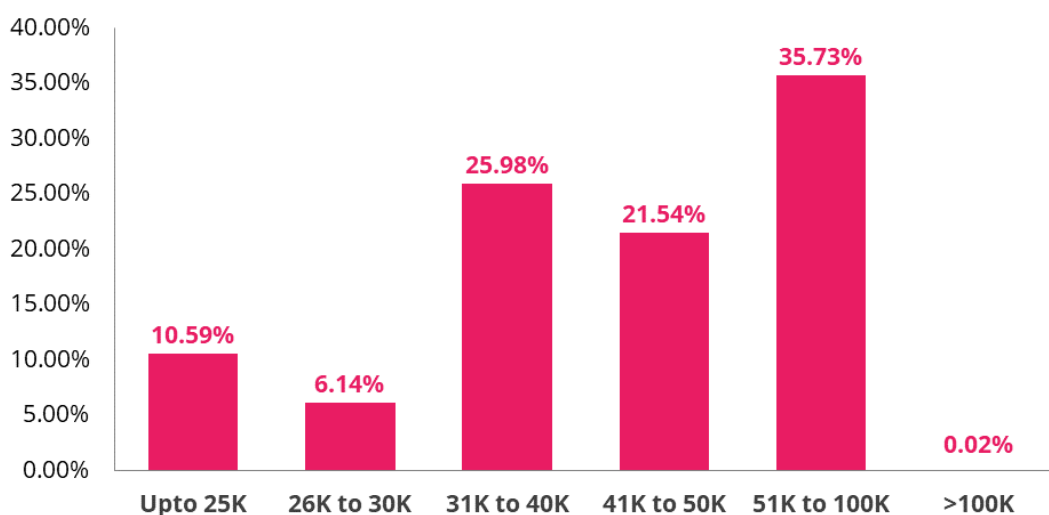
▲	AUM :	1029 Crore
▲	GROSS REVENUE :	216.28 Crore
▲	NET PROFIT :	42.04 Crore
▼	GNPA :	3.66%
	NNPA :	0.90%

Info Graphics 2022

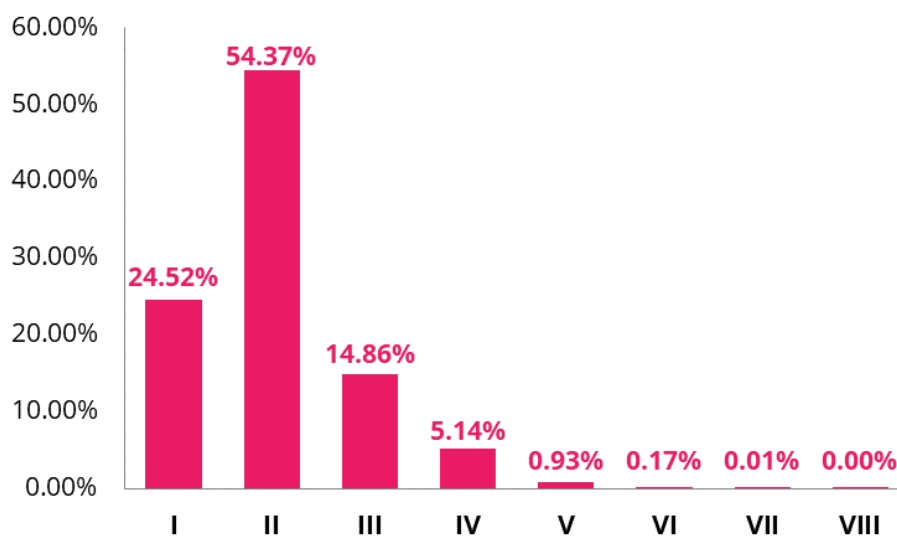
Tenure Wise Portfolio



Loan Amount Wise Portfolio

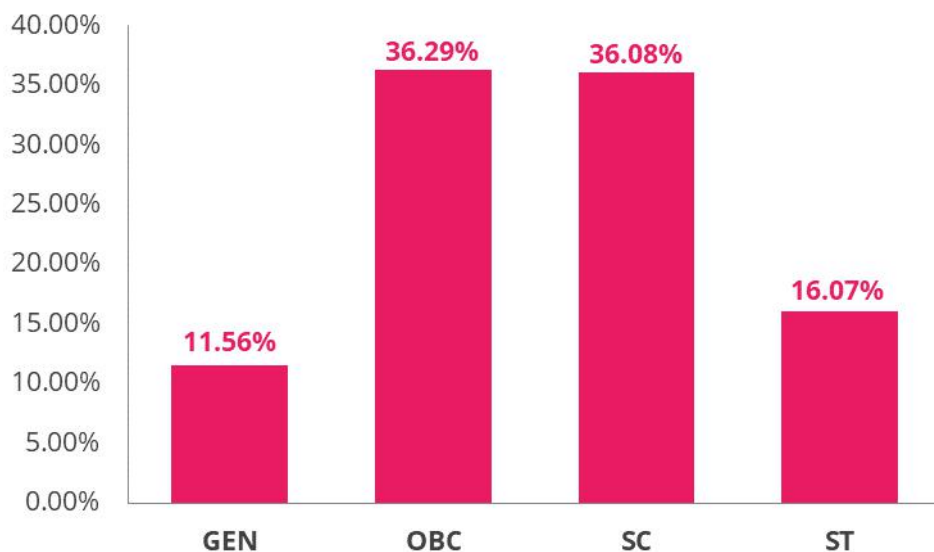


Loan Cycle Wise Portfolio

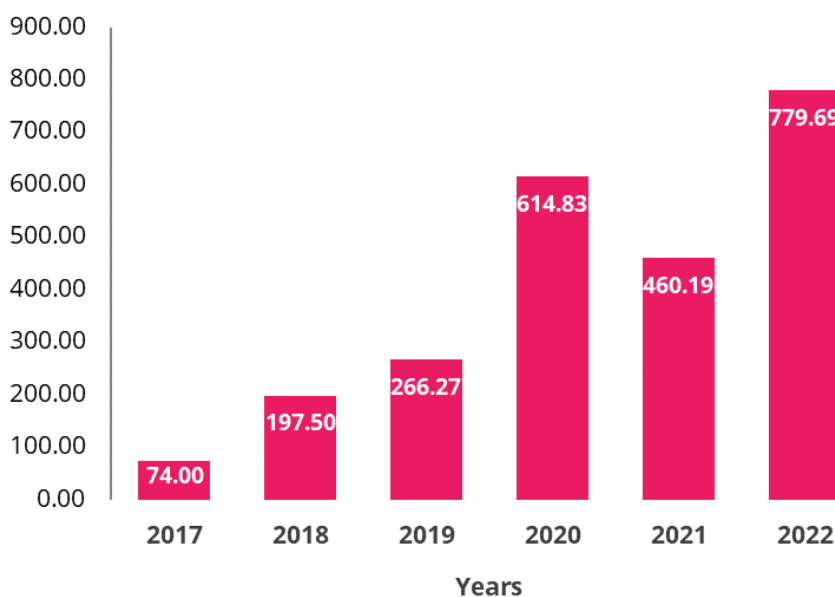


Info Graphics 2022

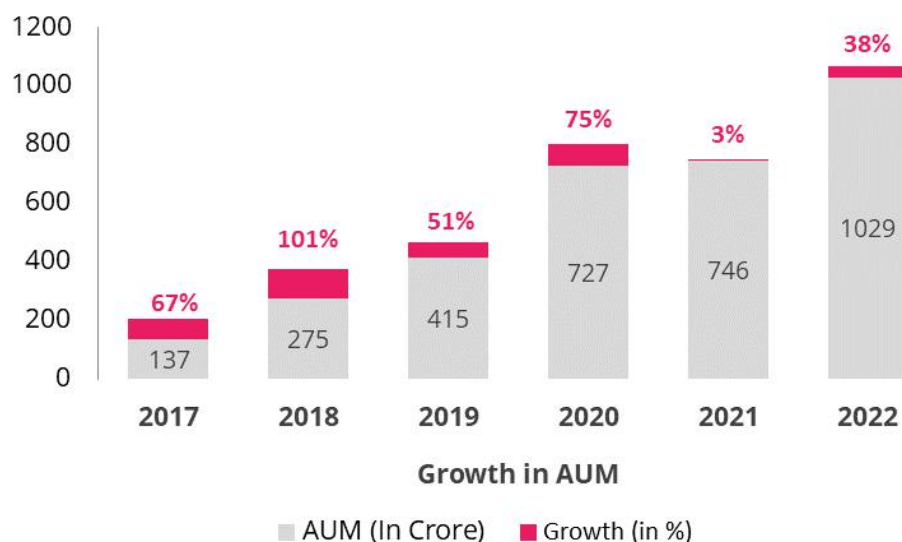
Caste Wise Portfolio



Debt Raised (On & Off Balance Sheet)

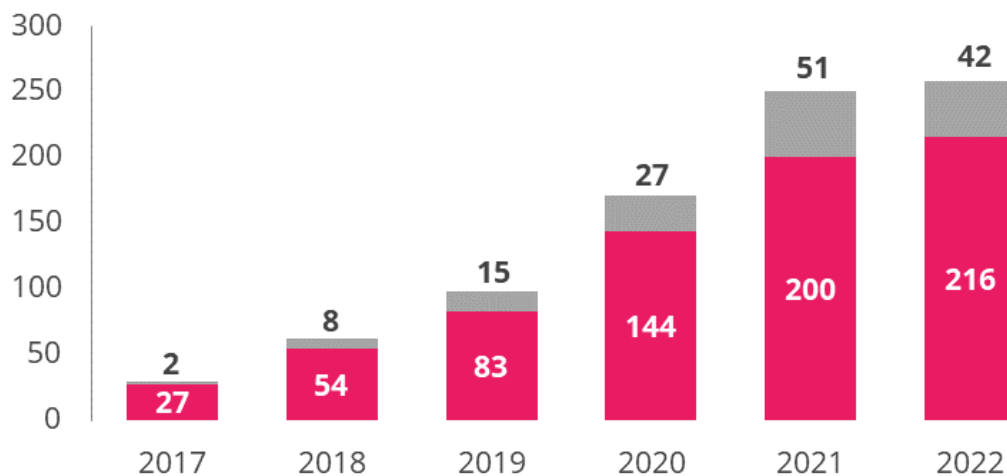


Growth In AUM (In crores & %)



Info Graphics 2022

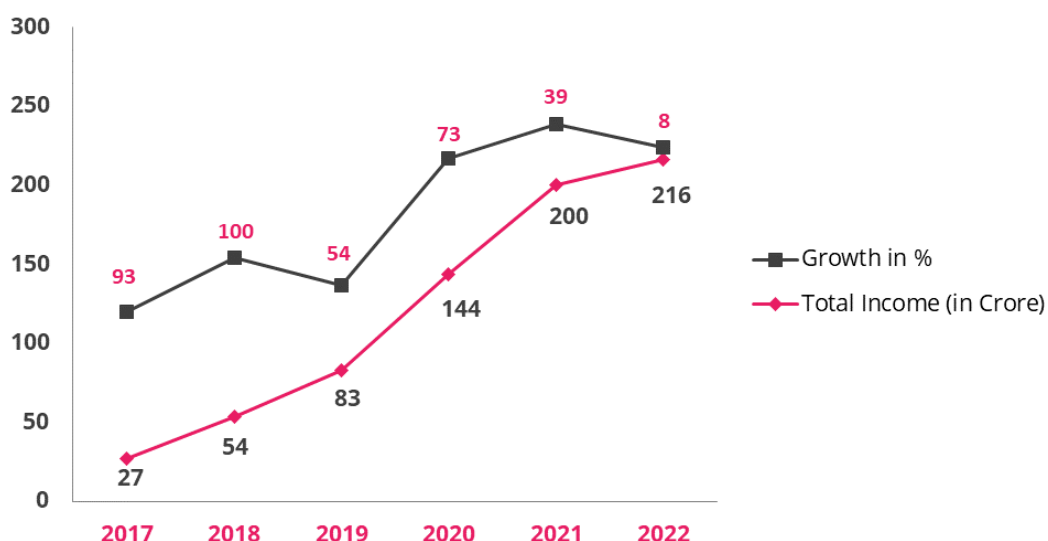
Gross Income Vs PAT



Gross Income V/s PAT

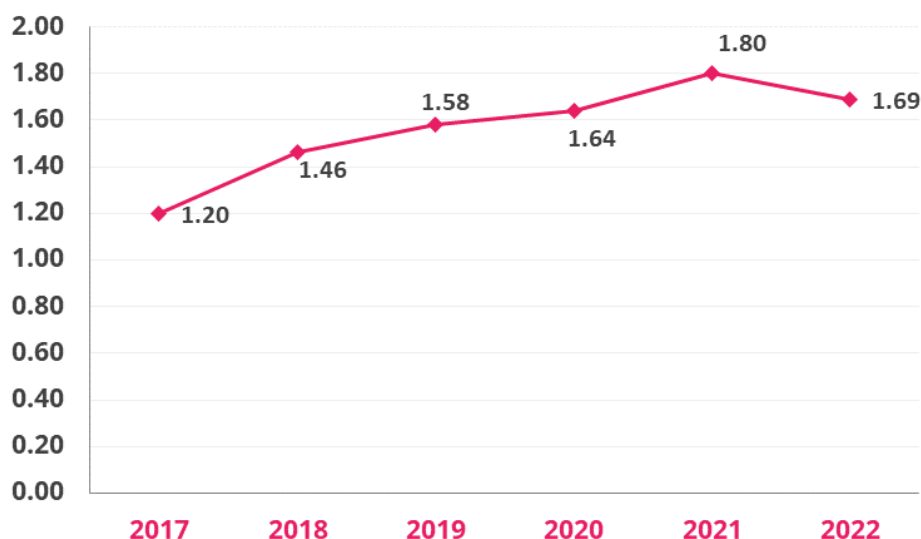
■ Gross Income (in Crore) ■ PAT (in Crore)

Growth of Income (In crore & %)



■ Growth in %
◆ Total Income (in Crore)

Interest Coverage Ratio



BOARD OF DIRECTORS



RAJIV JAIN

Chairman cum Managing
Director



AMIT JAIN

Whole Time
Director



JATIN CHHABRA

Non-Executive
Director



LALIT JAIN

Independent
Director



NAYAN AMBALI

Non-Executive
Director



DR. AMITA GILL

Independent
Director



**DHARMENDRA
SAXENA**

Nominee Director
SIDBI

CHAIRMAN'S SPEECH

Rajiv Jain,

Chairman cum Managing Director

measures to control the rise in inflation in order to shield the financially weak from its impact. The RBI announced the continuation of its accommodative policy stance. As a result, expectations were building up of a strong rebound followed by rapid recovery. It had major impact on the stable operation of the global supply chain and caused commodity price inflation to spike to levels not witnessed in decades.

OUR PERFORMANCE DURING 2021-22

Opportunity is one thing. But what is more important is that we have developed deep specialization in all these lines of businesses to be able to do this business. On the operations front, Our AUM touched Rs. 1029 Crores, growing at 37.97% indicating that we are in the growth phase. Our disbursements have grown consistently to touch Rs. 745.69 Crores. The company has benefited 307901 number of Accounts. Despite these unforeseeable circumstances, company has acknowledged balance sheet size of Rs. 969.26 Crore. During the Financial Year 2021-2022, there were 183 branches with 92 districts spread in 8 states. With completion of the fiscal 2022 company has witnessed book loan portfolio of Rs. 773.72 Crore against total AUM of Rs. 1029 Crores.

We are working incessantly to improve our asset quality, we took yet another step to increase our operational efficiency through sources new business while also offering customized products and solutions to our clients.

OUR STRATEGY FOR GROWTH

During the year, your Company continued to work on the long term strategy set by the board and succeeded in maintaining a good portfolio level performance. We have seen a string of challenges over the past decade, which we have withstood, and embraced to its learnings. These learnings have primed us to strategically target bigger goals. We have also continued to build our capabilities as a result. Our fundraise allows us to expansion business. We are also focusing on diversifying our business in different state.

OUR PEOPLE

We are fortunate that our Board includes seasoned leaders from diverse backgrounds, with rich experience in senior positions. Management keeps in constant touch with Board members as required. We are extremely focused on corporate governance. Given the nature of the business, the Board is very focused on all aspects of risk management including credit and fraud risk, operational risk, market and other risks to ensure stable and sustainable growth for your Company. At the Board, we take compliance of all regulatory requirements very seriously.

CLOSING COMMENTS

We are very fortunate to have a world class and enlightened regulator. We would like to thank them for their guidance and constant support to your Company.

We would like to thank all our customers who are the reason we are in business. Their support and loyalty are our most valuable assets as we drive towards our ambitious vision for the future.

The Board would like to appreciate the management for their efforts in building a strong foundation for the future. Our employees are key partners in achieving the ambitious growth vision of your Company. They have displayed exemplary commitment, spirit of innovation and perseverance in the face of a lot of adversity in the last year. Our sincere thanks to all of them for their passion and loyalty in building this great institution.

I thank all of you, our dear shareholders, for your constant support to our Company over the years in challenging circumstances. We sincerely appreciate your patience, insights and support in helping us build a great institution that would be increasingly valuable to all of you.

Thank you

Dear Shareholders,

**"The future of enterprise:
Driven by hybrid work, digital
acceleration and cloud"**

It gives me great pleasure as Chairman of the Board to write to you in the 2021-22 Annual Report of your Company 2021-2022. I am happy to report that the financial 2021-2022 has proved out an uncreditable year for your company. The main highlight of the year is that your company has achieved its target and crossed Rs. 1000 Crore AUM.

We took key strategic decisions that will enable us to grow our presence as well as our stature over the longer term. As we collectively focus on recovery from the impact of the pandemic, it is now time to reach out for more. At DCL, we are forever inspired by the courage and dedication demonstrated by our people and our clients.

LOOKING BACK ON 2021-22

The year gone by has been challenging for the global ecosystem. Particularly, in the last few months, global challenges have intensified. The financial year 2021-22 started with the second wave of COVID-19, which spread to rural India resulting in lockdowns and disruptions in business and supply chains across the country. But the situation recovered quickly from then and there was a smooth pick up in the economy in the second, third and fourth quarters of the year across all key parameters. However, towards the end of the year, the Ukraine conflict triggered higher energy prices, food and commodity shortages and global inflationary pressures. There is widespread talk of monetary tightening globally as well as in India, and its potential spill over effects on economies.

Against this backdrop, India is relatively better placed than other emerging economies and even many developed nations. Despite economic growth slowing during the January-March 2022 quarter, India's recovery is expected to remain strong and it continues to be the fastest growing major economy. The consistent rise in prices around the globe has led economy watchers and policy makers to put on hold their expectations of economic recovery and begun to encourage governments to take

DIRECTORS REPORT

To,
The Members,

Digamber Capfin Limited

J-54-55, IInd Floor, Anand Moti,
Himmat Nagar, Gopalpura,
Tonk Road, Jaipur-302018

Your directors have pleasure in presenting the Twenty Seventh (27th) Directors Report of your Company together with the Audited Standalone Financial Statements and the Independent Auditors Report of your Company for the financial year ended March 31, 2022.

1. OVERVIEW

Digamber Capfin Limited ("hereinafter referred as the Company or DCL") is Non-Banking Financial Company-Micro Finance Institution (NBFC-NDSI-MFI) and is registered with Reserve Bank of India under Section 45-IA of Reserve Bank of India Act, 1934 having Registration No. (RBI: B.10.00099). Further, the Company has not accepted any public deposits during the Financial Year 2021-2022 and does not have outstanding public deposits as at the end of financial year ended March 31, 2022. There has been no change in the business of the Company during the period under review.

2. FINANCIAL SUMMARY OF THE COMPANY

DCL has Adopted Indian Accounting Standard (IND-AS) for the first time from the financial year ended March 31, 2022 and prepared its financial statement in accordance with The Companies (Indian Accounting Standard) Rules, 2015 and IND-AS as specified by the ICAI from time to time. Annexed Standalone financial statement complies all the materials aspects mention in the Indian Accounting Standard and the Companies Act 2013 and other relevant provisions of the Act.

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

Particulars	Unit	March 31, 2022	March 31, 2021	Change (%)
Total Income	Rs. In Lakh	21627.84	19955.53	8.38%
Total Expenditure	Rs. In Lakh	16973.22	13326.95	27.36%
Profit before tax	Rs. In Lakh	4654.52	6628.58	(29.78%)
Tax Expenses: Current Tax Deferred Tax	Rs. In Lakh	1015.09 (568.61)	1022.46 508.98	-
Profit after tax	Rs. In Lakh	4208.14	5097.14	(17.44%)
Dividend paid on 9% Optionally Convertible Preference Shares	Rs. In Lakh	10.39	24.97	-
Dividend Distribution Tax	Rs. In Lakh	0.00	0.00	-

3. OPERATIONAL HIGHLIGHTS

Particulars	Unit	March 31, 2022	March 31, 2021	Change (%)
Number of Branches	No's	183	147	24.49
No. of Customers/ Borrowers	No's	401652	239037	68.03
No. of Employees	No's	2067	1327	55.76
Amount Disbursed	Rs. In Lakh	74568.74	48449.10	53.91
Gross Loan Portfolio	Rs. In Lakh	74144.54	54440.25	36.19

As on March 31, 2022 Company was operating with 183 branches spread over 8 states with 401652 customers.

4. DIVIDEND

Board of Directors has not recommended any dividend for the year under consideration on Equity Shares of the Company.

Your Directors have declared the following interim dividends during the year:

Board of Directors has approved redemption & dividend on remaining 50% outstanding Optionally Convertible Preference Share i.e., 15,00,000 (Fifteen lacs Only) of Rs. 10/- (Rupees Ten Only) in their meeting held on 05.01.2022 of Rs. 10,39,315, which was paid on 05.01.2022 to preference shareholders.

5. TRANSFER OF SHARES / UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

There is no requirement of transferring any sum during the Financial Year 2021-2022 to the Investor Education and Protection Fund established by the Central Government, in compliance with section 125 of the Companies Act, 2013 as no amount is laying in the unpaid dividend account or any other fund as specified in the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 which is required to transfer in the IEPF.

6. AMOUNTS TRANSFERRED TO RESERVES AND SURPLUS

As per provisions of section 45-IC of Reserve Bank of India Act, 1934, the Company has to transfer not less than 20% of the Profit after Tax to the Statutory Reserve Fund. The Company has transferred Rs.930.92 Lakhs to statutory reserves in accordance with the provisions of section 45-IC of Reserve Bank of India Act, 1934.

The company has transferred following amounts from/to retained earnings to these reserves:

Particulars	As at March 31, 2022 (In Rs. Lakh)
At the Beginning of the Period	10070.15
Add: Profit/(Loss) for the period	4208.14
Add: Other Comprehensive Income	(4.25)
Less: Transfer to Special Reserves under section 45 IC of RBI	(930.92)
Less: Transfer to Capital Redemption Reserve (CRR)	(150.00)
Less: Transfer to Debenture Redemption Reserve (DRR)	(250.00)
Add: Other Adjust. for IND AS first time adoption	0.00
At the end of the period	12943.11

7. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR / STATE OF COMPANY'S AFFAIR

Your directors wish to present the details of Company's Business operations and State of affairs during the year under review:

a) PROFITABILITY

The financial statements for the year ended on March 31, 2022 indicate decrease in the profitability by 17.44% from the last year due to adoption of IND-AS. During the year profit is Rs. 4208.14 Lakhs where as in last year profit was Rs. 5097.14 Lakhs.

b) INCOME (TURNOVER)

The financial statements for the year ended on March 31, 2022 show increment in the total income by 8.38% from the last year. During the year total income is Rs. 21627.84 Lakhs whereas in the last year was Rs. 19955.53 Lakhs.

c) MARKETING AND MARKET ENVIRONMENT

The Company has covered whole State of Rajasthan, Madhya Pradesh, Haryana, Uttarakhand, Himachal Pradesh, Punjab, Uttar Pradesh and Jammu & Kashmir during the year by issuing pamphlet and other marketing strategies and the company has opened 36 new branches in the above mention state and the year-end total branches of the company is 183.

d) FUTURE PROSPECTS INCLUDING CONSTRAINTS AFFECTING DUE TO GOVERNMENT POLICIES

The RBI on March 14, 2022, issued directions namely 'Reserve Bank of India (Regulatory Framework for Microfinance) Directions, 2022 which came into effect from April 1, 2022. The new Regulatory Framework was required to match the changing dynamics of the MFI sector. The Company believes that the RBI's new regulations will provide a stronger framework with a level playing field for all lenders. Overall, the new framework is positive for NBFC-MFIs as caps on ticket sizes and pricing have been withdrawn and there is a move towards self-regularization and harmonization.

8. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

The material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report are as follows: -

- During the year company has redeemed remaining 9% Optionally Convertible Preference Shares i.e. 15,00,000 (Fifteen Lakh) of Rs. 10/- each aggregating to Rs. 150 Lakhs at par from profits of the company on January 05, 2022 out of total 30,00,000 (Thirty lakh) of Rs 10/- each 9% Optionally Convertible Preference Shares. Kindly note, Company had allotted 30,00,000 (Thirty Lakh) 9% Optionally Convertible Preference Shares of Rs. 10/- each aggregating to Rs. 300 Lakhs to Small Industries Development Bank of India (SIDBI) on February 25, 2015. During the year company has not issued any Preference Shares.
- The Company has redeemed 100 Listed Non-Convertible debentures issued to Punjab & Sind Bank on 14.02.2022.

- The Company has also redeemed 150 Listed Non-Convertible Debentures issued to UCO Bank and Punjab National Bank on 30.03.2022.
- During the year company adopted new set of MOA and AOA in the Extra-Ordinary General Meeting held on 18.11.2021

9. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

No significant and material order passed by any such authorities which impacts the going concern status and company's operations in future.

10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary or Associate Company or Joint venture.

11. PARTICULARS OF DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and RBI Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016. Further, your company is Non-Banking Financial Company registered with Reserve Bank of India (RBI) has confirmed that in future company will not accept any public deposit without prior approval of RBI.

The Company has not received any secured or unsecured loan from the Directors or shareholders or relative of Directors of the company during the financial year 2021-2022.

As per RBI Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 your directors disclosed the following particulars with respect to the deposits:

(i) the total number of accounts of public deposit of the company which have not been claimed by the depositors or not paid by the company after the date on which the deposit became due for repayment:

NIL as already disclosed, the company has not accepted any deposits.

(ii) the total amounts due under such accounts remaining unclaimed or unpaid beyond the dates referred to in clause (i) as aforesaid:

Not Applicable as the company has not accepted any deposits.

12. AUDITORS AND THEIR REPORT THEREON

STATUTORY AUDITOR

M/s Kalani & Company, Chartered Accountants, (FRN:000722C), was appointed as Statutory Auditor of the company for a period of 3 years from the conclusion of 26th Annual General Meeting (AGM) till the conclusion of 29th AGM pursuant to RBI circular ref. no. DOS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021. The Company has received certificate from the appointing Statutory Auditor to the effect that they are not disqualified to continue as statutory auditor pursuant to RBI circular as stated above as well as section 141 of the Companies Act, 2013 and relevant rules prescribed there under.

There are no observations (including any qualification, reservation, adverse remark, fraud or disclaimer) mentioned in the Independent Auditor Report for the year ended 31.03.2022 that may call for any explanation from the Directors except as mentioned below:

Nature of Borrowing	Name of lender	Amount not paid on due date	Whether Principal or Interest	Delay in days	Remarks
Term Loan from Bank	IDBI TERM LOAN	Rs. 28,973	Interest	10	The loan amount was received on 30th Oct, 2021 and repayment schedule as well as instructions regarding repayment was received on 03rd Nov, 2021. The interest amount for October month was Rs 1,18,973/- from this amount Rs. 90,000/- deducted from the OD account on the due date and remaining amount of Rs. 28,973/- was paid on 10 Nov, 2021.

Further, the notes to the accounts referred to in the auditor's report are self-explanatory.

SECRETARIAL AUDITORS

In compliance with the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 company has appointed M/s R. Chouhan & Associates, Practicing Company Secretaries, Jaipur as the secretarial auditor of the company for the financial year 2021-2022. The Secretarial Audit Report for the financial year 2021-2022 in form MR-3 is annexed herewith which forms part of this report as **Annexure-"D"**. There is no qualification, reservation or adverse remarks in their report however, it is stated that in respect of Secretarial Standards (SS-1) issued by ICSI company has duly complied with the same but there is scope to improve compliance in future.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the maintenance of cost records has not been specified by the Central Government under the said section for the business activities carried out by the NBFC. Hence, provision of appointment of Cost Auditors & maintenance cost records is not applicable to the Company.

INTERNAL AUDITORS

In compliance with the provisions of Section 138 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the company has appointed Mr. Shashank Y. Kumar Chartered Accountant, as an Internal auditor, to carry out the

internal audit of the Company for the Financial Year 2021-22. The internal auditor provides its report on half yearly basis to Audit Committee.

Further, Mr. Shashank Y. Kumar Chartered Accountant, also appointed as an Internal auditor, to carry out the internal audit of the Company for the Financial Year 2022-2023.

13. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the period under review, no fraud has been noticed or reported by the Auditors which are reportable to the central government. However, Cash embezzlement on the company total amounting to Rs. 5.05 lakhs on account of Robbery and Staff Fraud has been noticed and duly reported by the statutory auditor in their Independent Auditor Report during the period under review.

14. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control System in the Company. The system should be designed and operated effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. To ensure effective Internal Financial Controls, the Company has laid down the following measures:

- The internal financial control systems are commensurate with the size and nature of its operations.
- All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.
- Approval of all transactions is ensured through a pre-approved Delegation of Authority Schedule which is reviewed periodically by the management.
- The Company follows a robust internal audit process. Transaction audits are conducted regularly to ensure accuracy of financial reporting, safeguard and protection of all the assets. Fixed Asset verification of assets is done on an annual basis. The audit reports for the above audits are compiled and submitted to Board of Directors for review and necessary action.
- The Company is having keen eyes on activities of its employee having access on company's software. An exceptional report is generated on daily basis about the suspicious activities done by users of software. Report is generated by backhand of software only, without any interference of company. Purpose of this, is to have a report from system only without any kind of alteration/ interference from any employee having any kind of interest in the company including top management.

MAIN FEATURES OF THE EXCEPTIONAL REPORT ARE AS FOLLOWS

- Report provides details of activities done by any user during odd hours. Details contain complete information regarding user along with kind of activity undertaken by him
- Report provide details of new user creation / Updation in the system including modification in admin panel;
- Report contains details about re-schedule of loan account, reversed transaction, if any undertaken
- Details of client with multiple loan account or any pre closed account are also become part of report
- Details of any kind of activity not having synchronization with the loan policy of company become part of this report

After generation of report by backhand team of software, same is submitted only to authorize users including internal audit team of the company as approved by top management of company.

This type of internal controls provides benefit to the company in managing its risk control activities

15. ANNUAL RETURN

In accordance with the provisions of section 134 (3) (a)

of the Companies Act, 2013 the Annual Return for the financial year 2021-2022 referred under section 92 (3) of the Companies Act, 2013 is available on the website of the company at

<https://www.digamberfinance.com/financial-information/#annual>

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

CONSERVATION OF ENERGY

- The steps taken or impact on conservation of energy:

The company, being a Non-Banking Finance Company does not have any manufacturing activity. Therefore, the company has nothing to report on Conservation of Energy.

- The steps taken by the company for utilizing alternate sources of energy: NIL
- The capital investment on energy conservation equipment's: NIL

TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption

The Company actively engages itself towards technology advancements to serve its customers/borrowers better and to create technology friendly environment for its employees who, in turn, help them to manage the processes efficiently and economically.

Further company has adopted various channels of e-pay method for payment of installment by the borrowers during the period under review.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: N.A.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): N.A.

(iv) The expenditure incurred on Research and Development: NIL

FOREIGN EXCHANGE EARNINGS AND OUTGO

- The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows: NIL

17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

After acknowledging net profit of more than Rs 5.00 Cr. in financial year ended 2020-2021, the company falls under purview of section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013. The Corporate Social Responsibility Committee Policy has already been formulated & approved by the Board of Directors on the recommendation of Corporate Social Responsibility Committee ("CSR Committee").

Corporate Social Responsibility Policy of the company covers broad aspects with related to the CSR Implementation, CSR Committee Composition, CSR Expenditure, CSR Reporting, Transfer of Unspent CSR amount, CSR Fund, Role & responsibility of Board and CSR Committee, Activities under CSR etc. and complete policy is available on the website of the company at <https://www.digamberfinance.com/wp-content/uploads/2021/09/Corporate-Social-Responsibility-Policy.pdf>

Annual report on Corporate Social Responsibility is annexed herewith as **Annexure "A"**.

18. BOARD OF DIRECTORS

A. Changes in Directors and Key Managerial Personnel

- While selecting Directors, the Company looks for an appropriate balance of skills, fit & proper criteria as per RBI guidelines, experience, independence and knowledge to enable them to discharge their responsibilities effectively. The Company has laid down a clear Policy on remuneration of Directors, KMP and Senior Management.
- Mr. Rajiv Jain (DIN: 00416121) Whole-Time Director of the Company has been appointed as Chairman Cum Managing Director in the Board Meeting held on 19th March, 2021 for a term of five years with effect from 14th April, 2021 to 13th April, 2026 and subsequently approved by the shareholder in their Extra-Ordinary General Meeting held on 13th April, 2021.
- Mr. Amit Jain (DIN:00416133) has been re-appointed as Whole-Time Director of the Company in the Board Meeting held on 19th March, 2021 for a term of five years with effect from 14th April, 2021 to 13th April, 2026 and subsequently approved by the shareholder in their Extra-Ordinary General Meeting held on 13th April, 2021.
- Dr. Amita Gill (DIN: 09066022) has been regularised as an Independent Director of the company in the

26th Annual General Meeting of the company held on 29th September 2021 for a First Term of Five year and her tenure as Independent Director for the period of five years shall be taken with effect from 12th February 2021 to 11th February 2026.

- Mr. Lalit Kumar Jain (DIN: 07517615) has been re-appointed as an Independent Director of the Company in the 26th Annual General Meeting held on 29th September 2021 for a Second Term of five years from the Conclusion of 26th Annual General Meeting till the conclusion of 31st Annual General Meeting of the Company.
- Mr. Nayan Ambali (DIN: 03312980) has resigned from the post of Independent Director with effect from the end of business hours of 26th May, 2022. The resignation from the post of Independent Director has been caused due to removal of his name from the Independent Director's Databank.
- Mr. Nayan Ambali (DIN: 03312980) has been appointed as an additional non-executive director with effect from 27th May, 2022. Nomination & Remuneration Committee of Board of Directors had recommended his appointment as he has vast experience & knowledge relating to the affairs of the company and subsequently approved by the Board of Directors in their Meeting held on 26th May, 2022. Further he will be regularised in Ensuing Annual General Meeting of the Company.
- The Board is of the opinion that the independent directors appointed during the year under review is person of integrity and possess the requisite expertise and experience required for the position and the independent director(s) will give/passed online proficiency self-assessment test applicable as per the Companies (Accounts) Rules, 2014, as amended from time to time.

B. Regularization of Director

Mr. Nayan Ambali (DIN:03312980) additional non-executive director of the Company will be regularized as a Non- Executive Director of the Company in the Ensuing Annual General Meeting of the Company.

C. Retire by Rotation

During the period under review, in compliance with the provisions of section 152 (6) of companies' act, 2013 Mr. Amit Jain (00416133) is liable to retire by rotation and being eligible, offer himself for re-appointment in the ensuing 27th Annual General Meeting.

D. Declaration by an Independent Director(s) and re-appointment, if any

The Company has received declarations from all Independent Directors of the Company as prescribed under Section 149(7) of the Companies Act, 2013 and rules made there under that they meet with the criteria of their independence as laid down in Section 149(6) of the Companies Act, 2013.

Further, Independent Directors have complied with the Code for Independent Directors adopted by the company as prescribed in Schedule IV to the companies Act, 2013.

E. Evaluation of Board Performance by Independent Directors

Independent Directors of the company has evaluated the performance of Non-Independent Directors and the Board as whole including review the performance of chairperson of the company in their meeting held on February 14, 2022.

The performance of the Board/Management Committees viz Executive Committee, Audit Committee, Nomination & remuneration committee, Risk Management Committee, Credit Committee, Ombudsman committee, ALCO committee, Staff Appraisal Committee, IT Steering Committee, IT Strategy Committee, ESOP Support Committee, CSR committee, Incentive distribution committee, Investigation Committee, Project Advisory Committee were also evaluated on the basis of criteria as approved by the Board of Directors.

F. Policy on Directors Appointment & Remuneration

The Board on the recommendation of the Nomination & Remuneration Committee framed & adopted a policy for selection and appointment of Directors, Senior Management personnel and their remuneration. The Policy contains, inter-alia, directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director, etc. The Nomination & Remuneration Policy is annexed herewith as **Annexure "B"**.

19. MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2021-2022, the board of directors had meet Seven (07) times as per Section 173 of the Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

S.No.	Date of Meeting	Board Strength	No. of Directors Present
1.	29/06/2021	7	6
2.	24/08/2021	7	6
3.	04/09/2021	7	5
4.	13/11/2021	7	5
5.	05/01/2022	7	5
6.	14/02/2022	7	7
7.	26/03/2022	7	7

20. MEETINGS OF THE COMMITTEES OF BOARD OF DIRECTORS

There are various committees constituted as per provisions/guidelines of Companies Act, 2013 and Reserve Bank of India. Details of meeting of these committees are stated in the Corporate Governance Report (**Annexure "C"**).

21. CORPORATE GOVERNANCE

The Company has adopted best corporate practices and is committed to conducting its business in accordance with the applicable laws, rules and regulations. The Company follows the highest standards of business ethics. A report on Corporate Governance is annexed separately in this Board Report as (**Annexure "C"**).

22. CHANGES IN SHARE CAPITAL

Particulars for Year ended March 31	2022		2021 (Amount in Lakhs)	
Authorized Share Capital: Equity Share Capital: 15000000 Preference Share Capital: 3000000	1500.00 300.00	1800.00	1500.00 300.00	1800.00
Issued Capital: • Equity share capital • 9% optionally convertible preference shares	987.69 0.00	987.69	987.69 150.00	1137.69
Subscribed Capital: • Equity share capital • 9% optionally convertible preference shares	987.69 0.00	987.69	987.69 150.00	1137.69
Paid up Share Capital: • Equity share capital • 9% optionally convertible preference shares	987.69 0.00	987.69	987.69 150.00	1137.69

The Company has not issue any Bonus Shares/Sweat Equity/Right issue or any buy back of shares/securities during the financial year ended March 31, 2022.

Although, during the year company has redeemed remaining 9% Optionally Convertible Preference Shares i.e. 15,00,000 (Fifteen Lakh) of Rs. 10/- each aggregating to Rs. 150 Lakhs at par from profits of the company on January 05, 2022 out of total 30,00,000 (Thirty lakh) 9% Optionally Convertible Preference Shares of Rs 10/- each.

Further company has created Capital Redemption Reserve as per provisions of section 55 of Companies Act, 2013 along with applicable rules of respective act. Sum equal to nominal amount of shares so redeemed i.e. 1, 50,00, 000/- (Rupees One Crore fifty lakh) has been transferred into "Capital Redemption Reserve Account".

23. NON-CONVERTIBLE DEBENTURES

The Company had issued listed non-Convertible debentures (NCDs) through private placement in the Financial Year 2020-21 to State Bank of India (SBI), Punjab & Sind Bank and UCO and Punjab National Bank for an amount of Rs. 25.00 Crore (250 NCDs, Face value of Rs. 10,00,000), 10.00 crore (100 NCDs, Face value of Rs. 10,00,000) and 15.00 (150 NCDs, Face value of Rs. 10,00,000) crore to UCO and Punjab National Bank respectively.

During the period under review following non-Convertible debentures has been redeemed as per the terms & condition of Term Sheet:

- The Company has redeemed 100 Listed Non-Convertible debentures issued to Punjab & Sind Bank on 14.02.2022.
- The Company has also redeemed 150 Listed Non-Convertible Debentures issued to UCO Bank and Punjab National Bank on 30.03.2022.

At the end of the year outstanding balance of NCDs is Rs. 25.00 Crore issued to SBI Bank.

Although Equity Shares of the company are not listed on any Stock Exchange in India or abroad.

24. PAYMENT OF LISTING FEE

The Company affirms that the annual listing fees for the year 2021-2022 to BSE Limited (Stock Exchange) had been paid.

25. DEMATERIALIZATION OF SHARES OF THE COMPANY:

As per notification issued by Ministry of corporate affairs dated September 10, 2018 by inserting Rule 9A of Companies (Prospectus and allotment of Securities) Rules, 2014, effective since 2nd October, 2018, every Unlisted Public Company is required to issue securities only in dematerialized form and required to facilitate dematerialization of all its existing securities in accordance to provisions of depositories act, 1996 & regulations made there under.

Accordingly, company has obtained its ISIN INE02QN01014 for Equity Shares from Central

Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) dated 27th November, 2018 & October 01, 2020 respectively and same has been communicated to the shareholders.

Further CDSL Ventures Limited is providing its services as Registrars & Share Transfer Agent.

As per requirement of MCA notification, complete shareholding of promoters had already converted in Demat form. As on March 31, 2022, 92,38,361 (Ninety-Two Lakh Thirty-Eight Thousand Three Hundred Sixty-One) Equity Shares out of Total 98,76,930 (Ninety-Eight Lakh Seventy-Six Thousand Nine Hundred Thirty) were in Demat form.

During the period under review 1,18,050 (One Lakh Eighteen Thousand Fifty) Equity Shares has been converted in Demat.

26. EMPLOYEES STOCK OPTION PLAN

The Board of Director of the Company has approved the DIGAMBER CAPFIN LIMITED EMPLOYEES STOCK OPTION SCHEME-2022 (DCL ESOP 2022) in the Board meeting held on 26.05.2022. Subsequently the Scheme was also approved by the Member in the 01/2022-2023 Extra Ordinary General Meeting held on 25.06.2022.

The purpose of the scheme is to reward the employee for their performance and motivated them to contribute to the growth and profitability of the Company. ESOP is basically a tool used by a company to retain its employee and get them awarded for being associated with the company. As a part of an employee's benefit ESOP creates a sense of ownership in mind of employees and their interest in the organization remains intact. ESOP plays a vital role to attract employees at the growing stage of the Company.

27. PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

As per Rule 11 (2) of the Companies (Meetings of Board and its Powers) Rules, 2014 provisions of section 186 of the companies' act, 2013 are not applicable on the company except sub-section (1) of section 186.

Further as a part of business operations of the company, company is required to open fixed deposit account with various banks to provide collateral security against the fund borrowed by the company in compliance of section 179 & 180 (1) (a) & (c) of Companies Act, 2013 along with rules provided for this purpose & modifications thereafter, if any.

As on March 31, 2022 outstanding balance of all fixed deposit was Rs. 5472.27 Lakhs and Mutual Funds was Rs. 559.91 Lakhs

28. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has entered into various Transactions as defined under Section 188 of the Companies Act, 2013 with related parties as defined under Section 2 (76) of the said Act. Further, all the necessary details of transaction entered with the related parties are enclosed herewith in **Form No. AOC-2 as Annexure: "E"**.

Further, as per RBI Master Circular no. RBI/2015-16/12 DNBR (PD) CC.NO.053/03.10.119/2015-2016 dated 1st July, 2015 regarding "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015" policy of Related Party Transactions is available on the website of the company at https://www.digamberfinance.com/wpcontent/uploads/2021/09/Related_Party_Transaction_Policy.pdf and also enclosed herewith as **Annexure: "F"**.

As per para 2A of Schedule (V) of SEBI (LODR) Regulation, 2015 Disclosures of transactions of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company is Stand Nil except remuneration.

29. RISK MANAGEMENT

The Company has formed a Risk Management Committee consisting of Two Executive Directors along with 2 other members as Senior Employees of the company. In the normal course, MFIs are exposed to various risks. The managements of MFI have to base their business decisions on a dynamic and integrated risk management system and process, driven by corporate strategy. MFIs are exposed to several major risks in the course of their business –reputational risk, credit risk, interest rate risk, liquidity risk and operational risk. For this purpose, company has formed separate committee in the name & style of "Risk Management Committee".

Main objective of the committee is as follows:

1. The total process of risk management which includes opening of new branches along with review of existing branches in different states and review of internal control system.
2. The Committee is constituted to assist the Board in the discharge of its duties and responsibilities in this regard.
3. The duties and responsibilities of the members of the Committee are in addition to those as a member of the Board of Directors.

However, in addition of the above following are the other major responsibilities covered under the terms of reference of this committee:

- To assist the Board in setting risk strategy policies in liaison with management and in the discharge of its duties relating to corporate accountability and associated risk in terms of management assurance and reporting and decide total process of risk management which includes opening & closing of

branches along with review of existing branches in different states and review of internal control system

- To ensure that the company has implemented an effective ongoing process to identify risk, to measure its potential impact against a broad set of assumptions and then to activate what is necessary to pro-actively manage these risks and to decide the company's appetite or tolerance for risk;
- To provide an independent and objective oversight and view of the information presented by management on corporate accountability and specifically associated risk, also taking account of reports by internal auditor to the Board on all categories of identified risks facing company and take a note of Self-Regulatory Organization(SRO) district analysis based on credit bureau data undertaken by SA-DHAN.

The Company has adopted Risk Management Policy and is available on the website of the company at https://www.digamberfinance.com/wp-content/uploads/2021/09/Risk_Management_Policy.pdf

Apart from above other details & information on risk management is provided in the Corporate Governance Report enclosed as **(Annexure "C")**.

30. DIRECTOR'S RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with the Indian Accounting Standard (IND AS) as per the companies (Indian Accounting Standards) Rules, 2015 and companies Act 2013. The company has first time adopted the Indian Accounting Standard (IND-AS) previously company was prepared the financial as per Accounting Standard.



The Board of Directors of the company hereby state and confirm:

- a) that in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit & loss of the company for the year under review;
- c) That the Directors had 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) That the Directors had prepared the annual accounts for the financial year ended 31st March, 2022 on a 'going concern' basis;
- e) That the directors had laid down internal financial controls, which are adequate and are operating effectively; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

31. PARTICULARS OF RBI COMPLIANCES

Being a Non-Banking Non-Deposit Taking Systematically Important Micro Finance Institution (NBFC-ND-SI-MFI) company continues to comply with the applicable regulations, directions and guidelines as prescribed by RBI and provisions as prescribed in **"Master Direction – Non-Banking Finance Company- Systematically Important- Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016"** as amended from time to time.

Further, company has complied with all the rules and procedures as prescribed in above mentioned master directions and any other circulars and notifications, time to time, issued by RBI.

32. PARTICULARS OF BSE (STOCK EXCHANGES)/SEBI (LODR) REGULATIONS, 2015 COMPLIANCES

Non-Convertible Debentures are listed on BSE Stock Exchange and company has complied regulations as prescribed by the Securities and Exchange board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and any other circulars and notifications issued from time to time by SEBI and BSE.

33. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report, highlighting the important aspects of the business are enclosed as Annexure: "G" and forms part of this Report.

34. FORMAL ANNUAL EVALUATION BY THE BOARD

The provisions of section 134(3)(p) of Companies act, 2013 relating to formal annual evaluation by the Board of its own performance and that of its committees and individual directors is Not applicable on the Company as the paid-up share capital of the company is below Rupees Twenty-Five Crore as specified in the first proviso of Rule 8 (3) of the Companies (Accounts) Rules, 2014.

35. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177 (9) of the Companies Act, 2013 and the Rules made thereunder, the Company has established Vigil Mechanism/Whistle Blower Policy. Policy inter alia, include the mechanism for:

- a) all Directors and employees of the Company to report suspected or actual occurrence of illegal, unethical or inappropriate actions, behaviors or practices by Directors/employees without fear of retribution. The Directors/employees can voice their concerns on irregularities, malpractices and other misdemeanors through this Policy;
- b) provides necessary safeguards and protection to the Directors/ employees who disclose the instances of unethical practices/behavior observed in the Company;
- c) The mechanism also provides for direct access to the Chairman of the Audit Committee in exceptional cases;
- d) Vigil Mechanism/Whistle Blower Policy is available on the website of the company at https://www.digamberfinance.com/wp-content/uploads/2021/09/Vigil_Mechanism_Whistle_Blower_Policy.pdf

Details of the same are also stated in Corporate Governance Report enclosed as **Annexure: "C"**.

36. THE COMPANY HAS COMPLIED WITH PROVISIONS RELATING TO THE CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has put in place a policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees are covered under the policy.

During the Financial Year 2021-2022, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of Sexual Harassment complaints received and disposed of during the year 2021-2022:

No. of complaints pending at the beginning of the year	No. of complaints received during the year	Board Strength	No. of Directors Present
NIL	NIL	NIL	NIL

Further company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

37. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the period under review, there has been no application was made or any proceeding pending under the insolvency and bankruptcy code, 2016.

38. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

This point is not applicable to the company during the period under review.

39. PARTICULARS OF EMPLOYEES

In terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the provision of this section is not applicable on the company.

40. COMPLIANCE OF SECRETARIAL STANDARDS ISSUED BY ICSI

The Company is regularly adhering secretarial standard issued by Council of the Institute of Company Secretaries of India and thereafter approved by the Central Government under section 118 (10) of Companies Act, 2013.

41. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

During the period under review, there are no shares in the demat suspense account or unclaimed suspense account.

42. CREDIT RATING

The Credit Rating of the Credit Facilities/Securities of the company are listed below:

a) Credit Rating obtained in respect of: Bank Loan Facilities and Non-Convertible Debentures.

b) Name of the Credit Rating Agency: Brickwork Ratings India Private Limited.

c) Date on which the Credit Rating was obtained:

- Bank Loan Facilities rating latest reviewed on February 28, 2022
- Non-Convertible Debentures rating latest reviewed on March 02, 2022.

Credit Rating:

Bank Loan Facilities: BWR BBB+

Non-Convertible Debentures: BWR BBB+

43. DISCLOSURE WITH RESPECT TO MAINTENANCE OF FUNCTIONAL WEBSITE AS PER REGULATION 62 OF SEBI (LODR) REGULATIONS, 2015:

As Non-Convertible Debentures of the company is listed on BSE Stock Exchange and per requirement of Regulation 62, the company has maintained functional website & access by the said web-link <https://www.digamberfinance.com/>

44. ACKNOWLEDGEMENTS

Your directors take this opportunity to express their deep and sincere gratitude to the Members of the Company for their confidence and patronage, as well as to the Reserve Bank of India, Securities and Exchange Board of India, Rating Agencies, Stock Exchanges, Debenture Trustees, RTA, Depositories, Central and State Governments and its Regulatory Authorities for their cooperation, support and guidance.

Your directors would like to express a profound sense of appreciation for the commitment shown by the employees in supporting the Company in its endeavor of becoming one of the leading microfinance institutions of the country.

Your directors would also like to express their gratitude to the Members, Bankers and other stakeholders for their trust and support.

For & on behalf of the Board of Directors of
Digamber Capfin Limited

Date: 06th Sept 2022

Place: Jaipur

-Sd-

Rajiv Jain
Chairman cum Managing Director
DIN: 00416121

-Sd-

Amit Jain
Whole-Time Director cum CFO
DIN:00416133

ANNEXURE A TO DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. BRIEF OUTLINE ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") POLICY OF THE COMPANY

The Company has adopted CSR policy in compliance of section 135 of Companies Act, 2013 along with rules framed there under, approved by the board of directors in their meeting dated 15th day of March, 2019 and the same was reviewed on 26th May, 2022.

Further it is prescribed by board to undertake CSR activities in cohesion with those enunciated in the schedule VII of the Companies Act, 2013 for the benefits of the localities of nearby area of the company mainly or in any other part of India as may be deemed fit by the Board or CSR committee of the company.

Further projects and programs as proposed to be undertaken are as follows:

(i) Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;

(iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;

(v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;

(vi) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed

Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

(vii) Training to promote rural sports, nationally recognized sports, paralympic sports and olympic sports;

(viii) Contribution to the prime minister's national relief fund 8[or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women

(ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

(x) Rural development projects;

(xi) slum area development.

Explanation. - For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

(xii) Disaster management, including relief, rehabilitation and reconstruction activities.;

The Company is committed to improve the lives of the society in which it operates. The Company believes in its efforts to improve the society and strives to create a positive impact on the communities it serves and on the environment.

The objective of our CSR policy is to actively contribute to the social, environmental and economic development of the society in which we operate.

CSR KEY INITIATIVES FOR FINANCIAL YEAR 2021-2022

During the year, company has undertaken its CSR responsibilities through Shri Jagatbharti Education and Charitable Trust (hereinafter referred as Trust) and Mahatma Gandhi Government School, Situated at Dhani Kumawatan, Sanganer City, Jaipur (the school) and in the sports academy. The Trust spends the amount for the purpose of Vocational Training for reaching to unreached, rural development, ration distribution & medical aid and DCL has directly spends amount for construction of basic infrastructure facilities in the above mentioned school & to the sports academy.

For the Financial year 2021-22, CSR amount approved by the Board was Rs. 64,73,407/- out of which amounts of Rs. 60,00,000/- spent by the said trust, Rs. 4,45,500/- spent by the said school and Rs. 30,205 spends towards purchasing of sports kit for Pelican Sport and S.J. Sport Academy Jaipur for the Promotion of sport activities. Total amount spends during the period is amounting to Rs. 64,75,705.

2. COMPOSITION OF CSR COMMITTEE:

The CSR Committee was constituted by board of directors of the company by way of circular resolution and same was approved on July 02, 2018. Composition & attendance at meetings of the committee is listed below:

Sl.No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajiv Jain	Managing Director	2	2
2.	Mr. Amit Jain	Whole Time Director	2	2
3.	Mr. Lalit Kumar Jain	Independent Director	2	2
4.	Mr. Nayan Ambali	*Independent Director	2	1
5.	Mr. Jatin Chhabra	Non-Executive Director	2	1

Mr. Nayan Ambali (Independent Director) of the company ceased to be the Member of the Committee w.e.f After Working hours of 26.05.2022

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are hosted:

<https://www.digamberfinance.com/csr/>
<https://www.digamberfinance.com/corporate-governance/>

4. Details of Impact Assessment of CSR Projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

This clause is not applicable to the company as company's average CSR obligation is not exceeding Rs. 10 Crore (Ten Crore Rupees) or more in the three immediately preceding financial years.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl.No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial years if any (in Rs.)
1.	2021-2022	918	918
	Total	918	918

6. Average net profit of the company as per section 135(5):

Average net profit of the company is amounting to Rs. 32,36,70,355 (Rupees Thirty-Two Crore Thirty-Six Lakh Seventy Thousand Three Hundred Fifty-Five).

7. (a) Two percent of average net profit of the company as per section 135 (5):

Rs. 64,73,407/- (Rupees Sixty-Four Lakh Seventy-Three Thousand Four Hundred Seven Only).

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: Rs. 918.00

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 64,72,489/- (Rupees Sixty-Four Lakh Seventy-Two Thousand Four Hundred Eighty-Nine Only)

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
64,75,705		-	NIL	NIL	-

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of Project		Amount spent for the project (In Rs.)	Mode of Implementation Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CS Registration number
1.	Education	Basic Infrastructure in school	Yes	Rajasthan	Jaipur	4,45,500	Yes	NA	NA
2	Vocational Training	Vocational Training for reaching to unreached	No	Gujarat	Surendra nagar	60,00,000	No	Shri Jagatbhari Educational & Charitable Trust	CSR00007065
								Trust	
3.	Sports	Promoting Sports	Yes	Rajasthan	Jaipur	30,205	Yes	NA	NA
						TOTAL	64,75,705		

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **NA**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 64,75,705**

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Rs.)
1.	Two percent of average net profit of the company as per section 135(5)	64,73,407
2.	Total amount spent for the Financial Year	64,75,705
3.	Excess amount spent for the financial year [(ii)-(i)]	2298
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
5.	Amount available for set off in succeeding financial years[(iii)-(iv)]	2298

9. (a) Details of Unspent CSR amount for the preceding three financial years: **NIL**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **N.A.**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s): **N.A.**

(b) Amount of CSR spent for creation or acquisition of capital asset: **NIL**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **N.A.**

(d) Details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **N.A.**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **N.A.**

For & on behalf of the Board of Directors of
Digamber Capfin Limited

Date: 06th Sept 2022

Place: Jaipur

-Sd-

Rajiv Jain

Chairman CSR Committee

DIN: 00416121

-Sd-

Amit Jain

Whole-Time Director cum CFO

DIN:00416133

"ANNEXURE B"

NOMINATION AND REMUNERATION POLICY

PHILOSOPHY

As a philosophy, the Company believes that while appropriate remuneration and compensation should be paid to attract and retain the right quality of talent, yet compensation should not become the single most over-riding criteria of relationship between the staff and the company. Accordingly, the company shall strive at all times to create an atmosphere of trust, empowerment and performance-based reward which will draw and retain right talent in the organization. The company should be positioned as a great place to work in and the main motivation for staff, especially the senior management staff should be the adrenalin of high performance and aligned values and ethics-based work culture. However, the company does understand that financial compensations are also important and accordingly compensation should be structured such that it is reasonable compared to peers but may not be the highest compared to similar organizations.

1.The Nomination & Remuneration Committee:

Subject to approval by the board, the Nomination & Remuneration Committee ("Committee") is responsible for formulating and making the necessary amendments to the Nomination & Remuneration Policy for the Directors, Key Managerial Persons (KMP) and Senior Executives of the Company from time to time.

2.Remuneration for Non-Executive Directors:

The remuneration / profit linked commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee.

Pursuant to the provisions of the Companies Act 2013, Managerial Personnel (Excluding Independent Directors), KMP, Senior Management and an employee shall be entitled to any Employee Stock Options (ESOPs) of the Company.

Non-Executive Directors including Independent Directors are reimbursed travel (excluding foreign travel) and other out of pocket expenses incurred by them for participation in the Boards/Shareholders and committee meetings of the Company, if any.

3.Remuneration to Managerial personal, KMPs:

The Remuneration / Compensation / Profit linked Incentive etc. to Managerial Personnel (Managing Director, Whole time director including other executive director), KMPs will be determined by the Committee and recommended to the Board for approval.

The Remuneration / Compensation / Profit Linked Incentive etc. to be paid for Managerial Personnel shall be subject to the prior/post approval of the shareholders of the Company.

The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

Managerial Personnel, KMP shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company will pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013.

Where if any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

The Managing Director and Whole Time Director may also be offered options under the Company's Employee Stock Option Schemes as may be in force from time to time (if any occurred in future) subject to provisions by various statutory authorizes as applicable to the company with their modifications, if any, including but not limited to regulations prescribed by companies act, 2013 with its rules, and guidelines provided by Reserve Bank of India for this purpose. Only such employees of the Company and its subsidiaries as approved by the Nomination and Remuneration Committee will be granted ESOPs.

4.Remuneration for Senior Management Group:

"Senior Management Group" shall mean those executives reporting directly to Executive Directors. The Company's principal focus continues to be the attraction and retention of high-caliber executives, aligning them to the mission and value system of the organization and engage with them to develop and implement the Company's strategy so as to enhance long-term value. A consistent approach is used in determining the remuneration of key operational and functional heads within the Company (the 'Senior Management Group'). Compensation including fixed component and variable component for the Senior

Management Group are therefore set by reference to local market practice in India and are in alignment with the Company's strategy.

Senior Management Group would also be entitled to employee stock options which would be individually determined based on criticality of the function, capabilities of the individual concerned and overall compensation of such persons in similar peer organizations.

5. Remuneration for other Employees:

Remuneration of middle and lower-level employees of the Company consists of both fixed and variable pay which is reviewed on an annual basis by Management of the company.

A formal annual performance evaluation process is applicable to all employees, including Key Executives. Increase in the remuneration of employees is affected based on an annual review taking into account performance of the employee and the performance of the Company also. Further all the eligible employees shall be participating in the Employee Stock Option Scheme.

6. Alignment of Remunerations:

The Committee strives to ensure that the remunerations of the Directors, Senior Executives, Middle and lower-level employees of the company are reasonably aligned and the difference between the highest and lowest paid employees in the company are kept at reasonable multiples. Such reasonable multiples would be determined from time to time based on industry trends and developments around the world on fair compensation practices.

7. Term of Appointment:

Term of Managing Director/ Whole Time Director is generally for a period of 5 years and renewed for similar periods from time to time. However, the Board reserves the right to increase/decrease the period as it may deem fit. Whereas, term of the other employees, generally is up to the age of superannuation.

8. Familiarization program for independent directors:

The Company shall familiarize the Independent Directors with the company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the company, etc., through various programs.

9. Post-Retirement Benefits:

All the employees are entitled for retirement benefits such as provident fund and gratuity.

MONITORING, EVALUATION AND REMOVAL

The Committee shall carry out evaluation of performance of every Managerial Personnel, Director, KMP and Senior Management on yearly basis.

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Personnel, Director, KMP or Senior Management subject to the provisions of Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

Proceedings of all meetings must be entered in the minutes book and signed by the chairperson of the said meeting or the chairperson of the next succeeding meeting. Minutes of the Committee meeting will be placed/circulated at the Quarterly basis before board meeting for noting.

REVIEW

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

CONTENT ON THE WEBSITE

- Appropriate disclosure regarding this Policy shall be made on the Company website at <https://www.digamberfinance.com/corporate-governance/>
- The information published in the website should be updated whenever there is a change in the policy.

AMENDMENT

In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities not being consistent with the provisions laid down in this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions herein and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

POLICY REPEALABLE

This policy constitutes the entire document in relation to its subject matter. In the event that any term, condition or provision of this policy being held to be a violation of any applicable law, statute or regulation, the same shall be repealable from the rest of this policy and shall be of no force and effect, and this Criteria shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Policy.



"ANNEXURE C"

CORPORATE GOVERNANCE REPORT

A good compliance culture can benefit any organization in many ways lower organizational risk, increased confidence among employees and better relationships with regulators and investors

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Digamber Capfin Limited ("the Company or DCL") is categorized as a Micro Finance Institution registered with Reserve Bank of India. The Company recognizes its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of Corporate Governance through transparency in business ethics, accountability to its customers, government and others. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. Corporate Governance for the Company is the 'way of the life' in the Company and there exists evidence enough through the policies, and procedures laid down by the Company, about its commitment to the same.

The Company ensures good governance through the implementation of effective policies and procedures, which is mandated and regularly reviewed by the Board or the committees of the members of the Board.

2. BOARD OF DIRECTORS

The Board of Director ("Board") of the Company having wide range of significant professional expertise, skills and rich experience across a wide spectrum of functional areas such as Management Banking, Finance, Law, Accounting, Auditing, Information Technology, Business Management, Risk Management. The Company encourages Board diversity and balance of skills at the same time, to ensure effective decision making.

(a) Composition & category of the Board of Directors

During the year under review, the Board of the Company had an optimum combination of Directors with excellent knowledge, skills and experience in various fields relating to the business activities of the Company. Board comprised of Seven (07) Directors, out of which Two (02) Promoter & Executive Director, two (2) Non-Executive Director, two (2) Independent Director including Women Independent Director and One (1) Nominee Director representing SIDBI.

The Independent Directors do not have any pecuniary relationship or transactions with the Company, Promoters and Management, which may affect independence or judgment of the Directors in any manner.

None of the Directors on the Board:

- Holds directorships in more than ten public companies;
- Serves as Director or as Independent Director (ID) in more than seven listed entities; and
- Who are the Executive Director(s) serves as IDs in more than three listed entities.

The composition of the Board of Directors of the Company is in conformity with the provisions of companies Act, 2013 and also in terms of Guidelines as issued by Reserve Bank of India.

Description of the same is listed below:

Sl. No.	Name of the Director	Category	Position on the Board as on 31st March 2022
1.	Mr. Rajiv Jain	Promoter & Executive Director	Chairman & Managing Director
2.	Mr. Amit Jain	Promoter & Executive Director	Whole Time Director & CFO
3.	Mr. Lalit Kumar Jain	Non-Executive Director	Independent Director
4.	Dr. Amita Gill	Non-Executive Director	Independent Director
5.	Mr. Nayan Ambali	Non-Executive Director	*Independent Director
6.	Mr. Dharmendra Saxena	Non-Executive & Non-Independent Director	Nominee Director representing SIDBI
7.	Mr. Jatin Chhabra	Non-Director	Non- Executive Director

***Note:**

- After the end of financial year, Mr. Nayan Ambali has resigned from the post of Independent Director w.e.f. after the end of business hours of May 26, 2022. The resignation from the post of Independent Director has been caused due to removal of his name from the Independent Director's Databank.
- Based on the Recommendation of the Nomination and Remuneration Committee and having the vast experience & knowledge relating to the affairs of the company, Mr. Nayan Ambali has been appointed as an additional non-executive director of the Company w.e.f. May 27, 2022.

(b) Attendance of each director at the meeting of the board of directors and the last Annual General Meeting

Name of the Director	Board Meeting Entitled to attend During FY 2021-22	No. of Board Meetings attended during the FY 2021-22	Whether attended AGM held on 29.09.2021	Total Number of other Directorship Held*	Number of Directorship held in listed entity	Total no. of Chairmanship/ Membership of Board Committee	
						Chair	Member
Mr. Rajiv Jain	7	7	Yes	0	0	6	2
Mr. Amit Jain	7	7	Yes	0	0	0	7
Mr. Lalit Kumar Jain	7	7	Yes	3	0	3	1
Dr. Amita Gill	7	4	No	0	0	0	2
Mr. Nayan Ambali	7	5	No	2	0	0	2
Mr. Dharmendra Saxena	7	5	Yes	0	0	0	0
Mr. Jatin Chhabra	7	6	Yes	0	0	0	3

***Note:**

*The Directorships held by Directors as mentioned above, includes Directorships in, Companies registered under Section 8 of the Act and Private Limited Companies.

None of the Director on the Board is a Director in any other listed entity.

(c) Number of meetings of the board of directors held During the year under review

During the Financial Year 2021-2022, the board of directors had meet Seven (07) times. Details of meeting of board of directors are stated in the Board Report under the heading of "Meetings of the Board of Directors".

(d) Disclosure of relationships between directors inter-se

- Mr. Rajiv Jain- Brother of Mr. Amit Jain
- Mr. Amit Jain- Brother of Mr. Rajiv Jain

Apart from the above, no other directors are related with each other.

(e) Number of shares and convertible instruments held by non- executive directors as on March 31, 2022

Mr. Jatin Chhabra, Non- Executive Director of the Company holds 1,03,300 equity shares of the Company as on March 31, 2022.

(f) Familiarization for Independent Directors

The Independent Directors are familiarized about nature of the industry in which the Company operates, business model of the Company, legal updates, etc. In this regard, the Company follows a structured familiarization programme for the Independent Directors. The details of the familiarization programme of the Independent Directors are available on the website of the Company at <https://www.digamberfinance.com/wp-content/uploads/2022/08/Director-Familiarization-March-2022.pdf>

(g) Skills/expertise/competence of the Board of Directors

In the table below, the specific areas of focus or expertise of individual Board Members as on March 31, 2022 have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Name of Directors	Area of Expertise					
	Financial	Legal	Technology	Board service& Governance	Management	Banking
Mr. Rajiv Jain	Yes	Yes	No	Yes	Yes	Yes
Mr. Amit Jain	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Lalit Kumar Jain	Yes	Yes	No	Yes	Yes	Yes
Mr. Nayan Ambali	Yes	No	Yes	Yes	Yes	No
Mr. Jatin Chhabra	No	Yes	No	Yes	Yes	No
Dr. Amita Gill	No	Yes	Yes	Yes	Yes	No
Mr. Dharmendra Saxena	Yes	Yes	Yes	Yes	Yes	Yes

(h) Confirmation regarding Independence of Independent Directors

In the opinion of the Board, Independent Directors, fulfils the conditions of independence specified in the companies act 2012 and are independent of the Management of the Company.

(i) Detailed reasons for the resignation of an Independent Director

During the year under review, Mr. Nayan Ambali (DIN:03312980) has resigned from the post of Independent Director with effect from the end of business hours of 26th May, 2022.

The resignation from the post of Independent Director has been caused due to removal of his name from the Independent Director's Databank.

(j) Independent Directors Meeting

In accordance with the requirement of Schedule IV of the companies Act, 2013 during the year under review, one separate Meeting of the Independent Directors was held on February 14, 2022 to discuss:

- Evaluate the performance of non-independent directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of executive and non-executive directors;
- Assess the quality, quantity and timeliness of flow of information between the Management of the Company.

3. COMPOSITION OF COMMITTEES OF BOARD OF DIRECTORS (BOARD)

The Board has constituted various committees to delegate particular matters that require greater and more focused attention in the affairs of the Company. All decisions pertaining to the constitution of committees, appointment of members and fixing of terms of reference for committee members is taken by the Board.

There are certain roles & responsibilities delegated to the committees by the board referred in the name & style of "terms of reference". The role and composition of these committees, including the number of meetings held during the financial year and the related attendance, Brief of all committees is as follows:

a) AUDIT COMMITTEE

“Qualified and Independent Audit Committee provides direction to the audit function and monitors the quality of internal and statutory audit”

The Audit committee assisted the board in the dissemination of financial information and in overseeing the financial and accounting processes in the company. The terms of reference of the audit committee covers all matters specified in section 177 of the Companies Act 2013. The terms of reference broadly include review of internal audit reports and action taken reports, assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the company.

The audit committee reviews the compliance with legal and statutory requirements, the Quarterly, Half Yearly and Annual Financial Statements and related party transactions and reports its findings to the Board.

The Committee also recommends the appointment of Internal Auditor and Statutory Auditor.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Lalit Kumar Jain - (Independent Director)

*Mr. Nayan Ambali- (Additional Non-Executive Director)

Dr. Amita Gill - (Independent Director)

Mr. Lalit Kumar Jain shall act as the Chairman of the Committee

Dr. Amita Gill (Independent Director) has been appointed as member of the Committee w.e.f. July 05,2022 and Mr. Jatin Chhabra ceased to be member w.e.f. July 05,2022 to meet the committee composition requirement as per companies' act, 2013.

*Mr. Nayan Ambali (Independent Director) of the Company ceased to Member of Committee W.e.f. with effect from the end of business hours of 26th May, 2022

Having the vast experience & knowledge relating to the affairs of the company Mr. Nayan Ambali (Additional Non-Executive Director) has been appointed as member of the Committee w.e.f 27.05.2022

TERMS OF REFERENCE

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. Review and monitor the auditor's independence and performance, and the effectiveness of the audit process;
3. Examination of the financial statement and the auditor's report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loans and investments, if any;
6. Valuation of undertakings or assets of the company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Overseeing the vigil mechanism (Compliance of whistle blower policy) of the company and ensuring its effective implementation & functioning;
9. The Board reviews the functions of the Audit Committee every year and gives its suggestions for effective and efficient functioning;
10. Monitoring the end use of funds raised through public offers and related matters.

MEETINGS AND ATTENDANCE DURING THE YEAR

S. No.	Date of Meeting	Committee Strength	Members Present
1	29/06/2021	3	3
2	04/09/2021	3	2
3	13/11/2021	3	3
4	14/02/2022	3	3

b) NOMINATION AND REMUNERATION COMMITTEE

This Committee covers all matters specified in section 178 of Companies act, 2013 regarding formation of criteria for determining qualifications, positive attributes and independence of a director to ensure 'Fit and Proper' status of proposed/existing Directors & Senior Management. The Committee ensures evaluations of Director's performance and recommends to the Board appointment/removal based on his/her performance and other matters related to remuneration for Directors, Key Managerial Personnel and Senior Management and Executive Directors etc.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Lalit Kumar Jain- (Independent Director)

Dr. Amita Gill- (Independent Director)

Mr. Jatin Chhabra- (Non-Executive Director)

Mr. Rajiv Jain- (Managing Director)

Mr. Lalit Kumar shall act as the Chairman of the Committee.

TERMS OF REFERENCE

1. To formulate a criterion for determining qualifications, positive attributes and independence of a Director;
2. To ensure 'fit and proper' status of proposed/existing Directors;
3. To recommend to the Board the appointment and removal of Senior Management;
4. To carry out evaluations of Director's performance and recommend to the Board appointment/removal based on his/her performance;
5. To make recommendations to the Board on policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and Executive Directors' remuneration and incentive;
6. To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time, including the suspension or termination of service of an Executive Director as an employee of the company subject to the provision of the law and their service contract;
7. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
8. To devise a policy on Board diversity;
9. To develop a succession plan for the Board and to regularly review the plan.

Note:

Senior management means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

MEETINGS AND ATTENDANCE DURING THE YEAR

S. No.	Date of Meeting	Committee Strength	Members Present
1	29/06/2021	4	4
2	04/09/2021	4	3

c) EXECUTIVE COMMITTEE

The Executive committee of the Board of Directors has been constituted as per clause 94 of article of association of the company and with reference to section 179 (3) of Companies act, 2013 and rules provided for this purpose to assists the board for the matters specified in clauses (d) to (f) of sub section (3) of section 179 of Companies Act, 2013 and other matters for smooth working of day-to-day affairs of the company. The terms of reference broadly include borrowing power under the authority provided by Board/ shareholders; invest funds of the company subject to guidelines provided by Reserve Bank of India for this purpose, account opening both in terms of borrowings & for operational functioning of the company, any authorization for regular business affairs, approval/ review of Operational policies of the company necessary for conducting operations of the company.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Rajiv Jain- (Managing Director)

Mr. Amit Jain- (Whole Time Director)

Mr. Jatin Chhabra- (Non-Executive Director)

Mr. Rajiv Jain shall act as the Chairman of the Committee

TERMS OF REFERENCE

- To approve borrowings from various persons including banks, financial institutions (FI's), corporate etc. on such terms and conditions as to repayment, interest rate, security or otherwise as it thinks fit upto such limits as approved by the Board / Shareholders from time to time, such limit to be exclusive of any money borrowed by or on behalf of the Company otherwise than by virtue of this resolution. Further borrowing includes approval of renewal of Cash credit limit as per terms and conditions provided by concerned Bank/ FI's/ Corporate;
- To approve and provide authority to approach in any bank/FI's/ corporate for availing loan facility and provide authority to decide terms and conditions for availing loan facility including repayment terms, interest rate, security to be provided for this purpose and provide signing authority for data sharing and for signing/ endorsing any document in this connection;
- To approve sanction letter for availing loan facility (both in terms of tier I & tier II capital as per RBI guidelines provided for this purpose) received from any bank/ FI's/ Corporate and provide signing authority to any director or any other senior person/ employee for the same;
- To provide authority for affixation of common seal of the company in connection with the matters to be conducted by the "Executive committee" under its authority/ terms of reference;
- To approve & conduct all other matters regarding borrowings from any bank financial institutions (FI's), corporate including opening of new bank account for availing loan facility or opening fixed deposit account for the purpose of providing security to concerned lender i.e., bank/ FI's, corporate;
- To approve investments of funds of the company subject to guidelines provided by RBI for this purpose for NBFC MFIs;
- To approve establishment of current and other accounts with various banks upon such terms and conditions as may be agreed upon with the said bank including reactivation of existing dormant bank account, if any, for the purpose of day to day business activities of the company;
- To approve changes in persons authorized to operate current and other accounts and their signing limits for operating such accounts;
- To approve closure of current and other accounts of the Company held with various banks;
- To approve and provide any authorization for day to day business operations such as for gumasta license for establishing any new branch, authorization for availing any new network facility for internet or communication facility i.e. mobile network, authorization to handle any judicial/ Criminal matter, if any, authorization for any matter regarding FIU IND/ Central KYC registry (CKYC)/ internet banking/ cash management services etc.;
- To approve or review any operational policy/ reporting guidelines/ work manual/ code of conduct for day to day business operations including policies regarding Human resource, Accounts & MIS, Operations both at Head office and branches, Operational audit of branches, increment/ bonus policies etc.;
- To review the operations of the Company in general and report in the board meeting;
- To delegate authority to the Company officials to represent the Company at various courts, government authorities;
- To seek information from any employee as considered necessary for better management of company's affairs;
- To obtain outside legal professional advice as considered necessary for safeguard from the legal non-compliances and formalities under different law/statue applicable to the company;
- To approve investment of surplus funds as per the policy approved by the shareholder/board as the case may be;

- Reviewing and determining governance duties, procedures, policies, code of conduct and by-laws and where necessary and as required by the Board;
- To approve the annual budget and longer-term financial plans and approves any change in agreed expenditure/activity that would materially affect the financial forecast;
- The minutes of meetings, as signed by the Chairman, shall be circulated to all members of the Executive Committee and shall be presented before the board on quarterly basis;
- To providing leadership and commitment within the business on safety, health and environmental matters;
- To investigate any activity which require investigation;
- To approach any Self-Regulatory Organization (SRO) and conduct all matters, things, act necessary of this purpose, pre and post membership;
- To approve matters related to securitization or direct assignment or to become business associate with any lender;
- To approve establishment of current and other accounts including fixed deposits account with various banks upon such terms and conditions as may be agreed upon with the said bank for the purpose of day to day business transactions of the company;
- To approve & take any type of facility including but not limited to Internet facility, ATM card & Debit card or any other facility required for day to day business transactions of the Company.

MEETINGS AND ATTENDANCE DURING THE YEAR

S. No.	Date of Meeting	Committee Strength	Members Present
1.	30/04/2021	3	2
2.	18/06/2021	3	2
3.	27/07/2021	3	2
4.	30/07/2021	3	2
5.	27/08/2021	3	2
6.	03/09/2021	3	2
7.	22/09/2021	3	2
8.	27/09/2021	3	3
9.	18/10/2021	3	2
10.	25/10/2021	3	2
11.	20/11/2021	3	2
12.	25/11/2021	3	2
13.	30/12/2021	3	2
14.	02/02/2022	3	2
15.	05/02/2022	3	2
16.	25/02/2022	3	2
17.	08/03/2022	3	2
18.	14/03/2022	3	2
19.	28/03/2022	3	2
20.	30/03/2022	3	2

D) RISK MANAGEMENT COMMITTEE

In the normal course, Micro Finance Institution ("MFI") are exposed to face various risks. The managements of MFI have to base their business decisions on a dynamic and integrated risk management system and process, driven by corporate strategy. MFIs are exposed to several major risks in the course of their business viz –reputational

risk, credit risk, interest rate risk, liquidity risk and operational risk. It is, therefore, important that MFIs introduce effective risk management systems that address the issues relating above risks.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Rajiv Jain- (Managing Director)
 Mr. Amit Jain- (Whole Time Director)
 Mr. Virendra Kumar Bhargaw- (Vice-President)
 Mr. Dharmendra Jangid- (Vice- President)

Mr. Rajiv Jain shall act as the Chairman of the Committee.

TERMS OF REFERENCE

To assist the Board in execution of its risk management accountabilities, the Committee shall be charged with the following general responsibilities:

- To assist the Board in setting risk strategy policies in liaison with management and in the discharge of its duties relating to corporate accountability and associated risk in terms of management assurance and reporting;
- To decide total process of risk management which includes opening & closing of branches along with review of existing branches in different states and review of internal control system;
- To review and assess the quality, integrity and effectiveness of the risk management systems and ensure that the risk policies and strategies are effectively managed;
- To review and assess the nature, role, responsibility and authority of the risk management function within the company and outline the scope of risk management work;
- To ensure that the company has implemented an effective ongoing process to identify risk, to measure its potential impact against a broad set of assumptions and then to activate what is necessary to pro-actively manage these risks and to decide the company's appetite or tolerance for risk;
- To oversee formal reviews of activities associated with the effectiveness of risk management and internal control processes. A comprehensive system of control should be established to ensure that risks are mitigated and that the company's objectives are attained;
- To review processes and procedures to ensure the effectiveness of internal systems of control so that decision-making capability and accuracy of reporting and financial results are always maintained at an optimal level;
- To monitor external developments relating to the practice of corporate accountability and the reporting of specifically associated risk, including emerging and prospective impacts;
- To provide an independent and objective oversight and view of the information presented by management on corporate accountability and specifically associated risk, also taking account of reports by internal auditor to the Board on all categories of identified risks facing company;
- To take a note of Self-Regulatory Organization(SRO) district analysis based on credit bureau data undertaken by SA-DHAN;
- The Committee shall particularly be charged with the following responsibilities: -
 - Reviewing the risk acceptance criteria;
 - Take care matters related to pricing of credit as per Reserve Bank of India guidelines;
 - To deal with the matters related to robbery/fraud etc. and take necessary legal action for the same.

MEETINGS AND ATTENDANCE DURING THE YEAR

S. No.	Date of Meeting	Committee Strength	Members Present
1.	05/04/2021	4	4
2.	05/07/2021	4	4
3.	05/10/2021	4	4
4.	05/01/2022	4	4
5.	30/03/2022	4	4

e) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee ("CSR Committee") has been constituted as per Section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 (including any amendment thereto or re-enactment thereof). Committee has been constituted to formulate and recommend to the Board of Directors, a corporate social responsibility policy which shall indicate the activities to be undertaken by the company, recommend the amount of expenditure to be incurred on such activities and monitor the corporate social responsibility policy of the company from time to time. The Corporate Social Responsibility Committee consists of the following Directors.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Rajiv Jain- (Managing Director)
 Mr. Amit Jain- (Whole-Time Director)
 Mr. Lalit Kumar Jain- (Independent Director)
 Mr. Jatin Chhabra- (Non-Executive Director)

Mr. Rajiv Jain shall act as the Chairman of the Committee.

Mr. Nayan Ambali- (Independent Director) ceased to be the Member of Committee with effect from the end of business hours of 26th May, 2022

TERMS OF REFERENCE

- Review and recommend the amount of expenditure to be incurred on CSR activities;
- Formulate and recommend to Board of Directors CSR policy which shall indicates the activities to be undertaken by the company as per Companies Act, 2013 and rules made thereunder;
- Monitor CSR policy of the company from time to time;
- The bifurcation on the recommended amount for the activities to be undertaken for local areas including branch offices and rest of the areas in India;
- Determine the beneficiaries of the activities;
- Mode of serving the beneficiaries as per CSR policy;
- Derive the method of verifying whether the amount allotted is spend for the beneficiaries;
- Audit and assess the activities implemented;
- Report to the Board and aids in disclosing in the Directors' report of the Board under section 134 of the Act, 2013 as well as uploading in the official web site of the Company;
- Formulate and Recommend to the Board of Directors an annual action plan in pursuance of CSR Policy;
- Review CSR activities at least once a year.

MEETINGS AND ATTENDANCE DURING THE YEAR

S. No.	Date of Meeting	Committee Strength	Members Present
1	24/08/2021	5	4
2	30/03/2022	5	4

f) ASSETS LIABILITY MANAGEMENT ("ALCO") COMMITTEE

NBFCs are exposed to credit and market risks in view of the asset-liability transformation or transactions. Competition for business; involving both the assets and liabilities has brought pressure on the management to maintain a good balance among spreads, profitability and long-term viability. Imprudent liquidity management can put earnings and reputation at risk.

The managements have to base their business decisions on a dynamic and integrated risk management system and process, driven by corporate strategy. NBFCs are exposed to several major risks in the course of their business such as capital management, credit risk, liquidity risk and interest rate risk. Management of credit risk shall be covered by the credit policy of Digamber Capfin Limited ("DCL") whereas capital management, liquidity and interest rate risk (ALM risks) shall be the domain of the ALCO, which has been addressed in the current policy. DCL needs to address these risks in a structured manner, adopting comprehensive ALM practices.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Rajiv Jain- (Managing Director)
 Mr. Amit Jain- (Whole Time Director)
 Mr. Lalit Kumar Jain- (Independent Director) *
 Mr. Virendra Kumar Bhargaw- (Vice-President)
 Mr. Dharmendra Kumar Jangid -(Vice-President)
 Ms. Neha Agarwal- (Sr. Compliance Head)
 Mr. Shashank Y. Kumar- (Assistant Finance Head)
 Mr. Naman Mehta- (Assistant Accounts Head)

Mr. Rajiv Jain shall act as the Chairman of the Committee

Note:

- *Mr. Lalit Kumar Jain (Independent Director) has been appointed as member of the Committee w.e.f. February 14,2022.
- Mr. Jatin Chhabra (Non-Executive Director) Ceased to be member of the Committee w.e.f. February 14,2022.
- Mrs. Preeti Verma (Chief Operation Head) Ceased to be member of the Committee w.e.f. February 14,2022.
- Mrs. Bharti Sukhyani (HR Manager) Ceased to be member of the Committee w.e.f. February 14,2022.
- Ms. Kamini Sharma (Senior Manager) Ceased to be member of the Committee w.e.f. February 14,2022

All changes mentioned above has been taken to meet the composition requirement as per Reserve Bank of India Guidelines.

TERMS OF REFERENCE

- Responsible to review, update, and approve asset liability management policies and procedures;
- Review major capital-based ratios along with ALM on quarterly basis;
- Deciding the business strategy of the company (on assets and liabilities sides) in line with the company's budget;
- Consider to include desired maturity profile, mix of the incremental assets and liabilities;
- Responsible for determining the appropriate mix of available funding sources utilized to ensure company liquidity is managed prudently and appropriately;
- Discussion on Pricing, profit planning and growth projections;
- Consideration of factors relating to risks which affect the performance of the company and providing recommendations;
- Addressing & overview concerns regarding asset liability mismatches;
- Overview Liquidity Risk Management;
- Overseeing the liquidity positions of all branches of the company;
- To do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws.

MEETINGS AND ATTENDANCE DURING THE YEAR

S. No.	Date of Meeting	Committee Strength	Members Present
1	22/07/2021	11	9
2	29/09/2021	11	11
3	20/12/2021	11	7
4	20/01/2022	11	11

g) OMBUDSMAN COMMITTEE

Digamber Capfin Limited engaged in micro finance activity since 2009, having huge client base. So it will be justifiable & desirable to have a dedicated team for timely redress various grievances of borrowers. So to provide the highest quality of services to its borrowers and ensure day to day protection and address grievances of all its borrowers, the company has formed Ombudsman Committee with the approval of Board of directors.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

The Committee shall consist of the Following Members:

Mr. Virendra Kumar Bhargaw (Vice President)

Mr. Dharmendra Kumar Jangid (Vice President)

Mr. Jugal Kishor Jangid (Manager - MIS)

Mr. Virendra Kumar Bhargaw shall act as the Chairman of the Committee.

TERMS OF REFERENCE

- Take notes on Client Grievance Mechanism;
- Develop, review and approve the principles guidelines Client Grievance Mechanism;
- A summary of all such complaints are summarized and Discussed and reviewed.
- Appoint Ombudsman or/ authorize any member of committee or to other person as mutually agreed by the committee to investigate the complaint, if required, at the option of members in the committee.

MEETINGS AND ATTENDANCE DURING THE YEAR

S. No.	Date of Meeting	Committee Strength	Members Present
1.	19/04/2021	3	3
2.	20/05/2021	3	3
3.	09/07/2021	3	3
4.	28/07/2021	3	3
5.	07/08/2021	3	3
6.	17/08/2021	3	3
7.	24/08/2021	3	3
8.	01/09/2021	3	3
9.	10/09/2021	3	3
10.	20/09/2021	3	3
11.	11/11/2021	3	3
12.	25/11/2021	3	2
13.	28/12/2021	3	3
14.	31/03/2022	3	3

h) CREDIT COMMITTEE (MICRO-FINANCE)

Digamber Capfin Limited has dedicated team for approving or disapproving request of clients for credit as per creditworthiness of clients. Board of Directors provides guidelines and procedure to approve loan to members as per RBI guidelines and as per requirement, time to time.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

The Committee shall consist of the Following Members:

Mr. Virendra Kumar Bhargaw- (Vice President)
 Mr. Dharmendra Kumar Jangid- (Vice President)
 Mrs. Preeti Verma- (Assistant Head)
 Mr. Subhash Kumawat -(Manager)

Mr. Virendra Kumar Bhargaw shall act as the Chairman of the Committee.

TERMS OF REFERENCE

- Approve or disapprove all member requests for credit;
- Rule on each application solely on the basis of a member's credit worthiness;
- Grant sound loans as per overall financial stability of clients;
- Regularly Compliance of loan policies and procedures;
- Recommend changes in policy, procedures and underwriting guidelines to the board of directors;
- Review past credit committee minutes.

MEETINGS AND ATTENDANCE DURING THE YEAR

S. No.	Date of Meeting	Committee Strength	Members Present
1.	03/04/2021	4	4
2.	15/04/2021	4	3
3.	12/06/2021	4	4
4.	07/07/2021	4	4
5.	09/07/2021	4	4
6.	19/07/2021	4	4
7.	22/07/2021	4	3
8.	27/07/2021	4	4
9.	31/07/2021	4	3
10.	02/08/2021	4	4
11.	14/08/2021	4	4
12.	16/08/2021	4	4
13.	17/08/2021	4	4
14.	01/09/2021	4	4
15.	30/11/2021	4	4
16.	20/12/2021	4	4
17.	07/01/2022	4	4
18.	01/02/2022	4	3
19.	01/03/2022	4	4
20.	15/03/2022	4	4

i) STAFF APPRAISAL COMMITTEE

Along with growth of operations of company, number of staff also increases simultaneously. Recruitment of staff for both corporate office and branches along with their appraisal has become process of day to day operations. Staff strength has crossed 1000 in numbers and same shall increase day by day with growth of business. Accordingly, company has constituted staff appraisal committee. Although company was having nomination & remuneration committee governing all matters related to directors, key managerial personnel and senior management but for staff other than KMP it was required to have a separate committee.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Rajiv Jain- (Managing Director)
 Mr. Amit Jain- (Whole Time Director)
 Mr. Virendra Kumar Bhargaw -(Vice-President)
 Mr. Dharmendra Kumar Jangid- (Vice-President)

Mr. Rajiv Jain shall act as the chairman of the committee.

TERMS OF REFERENCE

- To formulate & review criteria for determining qualifications, attributes of staff based on their designation requirement;
- To review all appointments made for corporate office and branch offices;
- To carry out evaluations of staff performance and determine their appointment/promotion based on his/her performance;
- To approve yearly appraisal/ promotion/ increment, whenever occurred of all staff based on their performance during the period.

NOTE:

This committee meant for all employees of company except as governed by Nomination Remuneration Committee of the company.

MEETINGS AND ATTENDANCE DURING THE YEAR

S. No.	Date of Meeting	Committee Strength	Members Present
1.	01/05/2021	4	3
2.	30/07/2021	4	4
3.	01/09/2021	4	4
4.	01/10/2021	4	4
5.	01/11/2021	4	4
6.	01/12/2021	4	4
7.	01/01/2022	4	4
8.	01/02/2022	4	4
9.	01/03/2022	4	4

j) INCENTIVE DISTRIBUTION COMMITTEE

Digamber Capfin Limited, engaged in micro finance activity since 2009, having huge client base. It is continuously striving to achieve its set targets. The employees of the company play a huge role in this regard and as a reward for their performance the Board of Directors decided to distribute a part of net profit as incentive.

For this, the Board of Directors constituted the Incentive Distribution Committee.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Rajiv Jain- (Managing Director)
Mr. Amit Jain- (Whole – Time Director)
Mr. Virendra Kumar Bhargaw - (Vice President)
Mr. Dharmendra Kumar Jangid- (Vice President)
Mr. Rajiv Jain shall act as the Chairman of the Committee.

TERMS OF REFERENCE

- To evaluate the performance of the corporate office staff for distribution of incentive;
- Rewarding the employees based on their performance;
- Distribution of 1% of the net profit of a Financial Year among the employees of corporate office as decided by the members of the committee.

k) INVESTIGATION COMMITTEE

Digamber Capfin Limited, engaged in micro finance activity since 2009, having huge client base. It is continuously striving to achieve its set targets. Company's capital structure comprises Equity Shareholders, Preference Shareholder. In this regard to entertain the complaints of the Shareholders of the company the Board of Directors approved the constitution of Investigation Committee.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Virendra Kumar Bhargaw- (Vice President)
Ms. Neha Agarwal- (Company Secretary)
Mr. Om Prakash Dhuwariya- (Assistant Head)

Mr. Virendra Kumar Bhargaw shall act as the Chairman of the Committee.

TERMS OF REFERENCE

- To investigate and Redressal of any complaints received by the company related to the shareholders of the company.

l) IT STEERING COMMITTEE

Digamber Capfin Limited, engaged in micro finance activity since 2009, having huge client base. It is continuously striving to achieve its set targets. Now company crossed threshold of Assets Size of Rs. 500 crores and categorized as NBFC-ND-SI and in pursuant to Reserve Bank of India ("RBI") circular RBI/DNBS/2016-17/53 (Master Direction DNBS.PPD. No.04/66.15.001/2016-17) of June 8, 2017 guidelines for Information Technology Framework for the NBFC sector ("Guidelines") and according to this guidelines NBFC-ND-SI required to constitute IT Steering Committee. These Guidelines aim to enhance safety, security, efficiency in processes leading to benefits for NBFCs and their customers. Businesses are today rapidly embracing new technologies and modern ways of working. Historically-separate domains no longer have the luxury of operating in a vacuum. Business competitiveness depends on business-technology alignment. Newer generations understand this intuitively. Meanwhile, the volume of information created and consumed on mobile devices is growing, which is also changing the way individuals' use and share information.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Rajiv Jain- (Managing Director)
Mr. Amit Jain- (Whole-Time Director)
Mr. Virendra Kumar Bhargaw- (Vice President)
Mr. Dharmendra Kumar Jangid- (Vice President)

Mr. Rajiv Jain Shall acts as the Chairman of the Committee

TERMS OF REFERENCE

- Focusing on priority setting, resource allocation and project tracking;
- To provide oversight and monitoring of the progress of the project, including deliverables to be realized at each phase of the project and milestones to be reached according to the project timetable;
- Any other responsibility as may be entrusted to it by the Board of the company from time to time;
- Undertake any other responsibility as laid down by Reserve Bank of India ("RBI") from time to Time.

MEETINGS AND ATTENDANCE DURING THE YEAR

S. No.	Date of Meeting	Committee Strength	Members Present
1	18.11.2021	4	4

m) IT STRATEGY COMMITTEE

Digamber Capfin Limited, engaged in micro finance activity since 2009, having huge client base. It is continuously striving to achieve its set targets. Now company crossed threshold of Assets Size of Rs. 500 crores and categorized as NBFC-ND-SI and in pursuant to Reserve Bank of India ("RBI") circular RBI/DNBS/2016-17/53 (Master Direction DNBS.PPD. No.04/66.15.001/2016-17) of June 8, 2017 guidelines for Information Technology Framework for the NBFC sector ("Guidelines") and according to this guidelines NBFC-ND-SI required to constitute IT Strategy Committee. These Guidelines aim to enhance safety, security, efficiency in processes leading to benefits for NBFCs and their customers. Businesses are today rapidly embracing new technologies and modern ways of working. Historically-separate domains no longer have the luxury of operating in a vacuum. Business competitiveness depends on business-technology alignment. Newer generations understand this intuitively. Meanwhile, the volume of information created and consumed on mobile devices is growing, which is also changing the way individuals' use and share information.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Lalit Kumar Jain (Chairman &Independent Director) *
 Mr. Nayan Ambali (Additional Non-Executive Director)
 Mr. Rajiv Jain (Chief Information Officer) ("CIO")
 Mr. Amit Jain (Chief Technology Officer) ("CTO")
 Mr. Virendra Kumar Bhargaw (Member)
 Mr. Dharmendra Kumar Jangid (Member)

Mr. Lalit Kumar Jain shall act as the Chairman of the Committee.

*Mr. Nayan Ambali ceased to continue as Chairman of the committee as he is resigned from the post of Independent Director and in his place Mr. Lalit Kumar Jain (Independent Director) has been appointed as a Chairman & Member and Mr. Nayan Ambali appointed Member of the Committee w.e.f. July 05, 2022 respectively.

TERMS OF REFERENCE

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and those budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources and oversee IT Governance;

- Ensuring proper balance of IT investments for sustaining company's growth and becoming aware about exposure towards IT risks and controls;
- Instituting an appropriate governance mechanism for outsourced processes, comprising of risk-based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end-to-end manner;
- Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;
- Developing sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements;
- Undertaking a periodic review of outsourcing strategies and all existing material outsourcing arrangements;
- Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;
- Periodically reviewing the effectiveness of policies and procedures;
- Communicating significant risks in outsourcing to the NBFC's Board on a periodic basis;
- Ensuring an independent review and audit in accordance with approved policies and procedures;
- Ensuring that contingency plans have been developed and tested adequately;
- Committee should ensure that their business continuity preparedness is not adversely compromised on account of outsourcing and ensuring to adopt sound business continuity management practices as issued by RBI and seek proactive assurance that the outsourced service provider maintains readiness and preparedness for business continuity on an ongoing basis;
- Any other responsibility as may be entrusted to it by Board of the company from time to time;
- Undertake any other responsibility as laid down by Reserve Bank of India ("RBI") from time to Time;
- To carry out review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance.

MEETINGS AND ATTENDANCE DURING THE YEAR

S. No.	Date of Meeting	Committee Strength	Members Present
1.	27.09.2021	5	4
2.	25.02.2022	5	4

n) ESOP SUPPORT COMMITTEE

ESOP is basically a tool used by a company to retain its employee and get them awarded for being associated with the company. As a part of an employee's benefit ESOP creates a sense of ownership in mind of employees and their interest in the organization remains intact. ESOP plays a vital role to attract employees at the growing stage of the Company.

The Company has constituted this committee with an intention to attract and retain the personnel for positions of substantial responsibility and to provide additional incentive to employees. The ESOP Plan is implemented to enable the employees to share the wealth that they help to create for the company over a certain period of time.

This Committee shall work for effective and efficient implementation of ESOP Scheme.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Mr. Virendra Kumar Bhargaw (Vice-President)
Mr. Dharmendra Kumar Jangid (Vice-President)
Ms. Neha Agarwal (Sr. Compliance Head)

Mr. Virendra Kumar Bhargaw shall act as the Chairman of the Committee.

TERMS OF REFERENCE

1. To evaluate and explore the following terms as per market trends and the final scheme shall be drafted with the approval of nomination and remuneration committee & Board of Directors and shareholders respectively:

- (a) opt direct route or trust route;
- (b) The appraisal process for determining the eligibility of employees to ESOP Scheme;
- (c) The total number of stock options to be granted along with maximum number of options to be granted per employee and in aggregate;
- (d) The requirement of vesting and period of vesting & maximum period within which the option shall be vested;
- (e) The exercise price, exercise period and process of exercise;
- (f) Lock in Details, if any;
- (g) Valuation of shares;
- (h) conditions under which option vested in employees may lapse;
- (i) specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee;
- (j) Exit method for employees;
- (k) all other terms and conditions as required for this purpose.

2. The Committee shall make sure that no person apart from below mentioned shall be entitled to exercise this option:

- a permanent employee of the company;
- Director of the Company, whether a whole-time director or not but excluding Independent Director;
- Employee who is not promoter or person belonging to promoter group;
- A director who either himself or through his relative or through any body-corporate, directly or indirectly holds more than ten percent of the outstanding equity shares of the Company.

3. The Committee shall pay attention to all complaints raised by employees if any and will provide opportunity to employees to inspect the plan documents etc.;

4. To ensure that all compliances of ESOP as per Companies act, 2013 and other regulatory authorities are complied with;

5. Report to the Board and aids in disclosing in the director report all the details of ESOP Scheme;

6. Recommendation to create provision, if any, as per requirement;

7. Review and oversee the operations of ESOP Scheme digitally or physically as may be required from time to time;

8. Maintain all registers, documents as per requirement of applicable law.

NOTE:

The Company has constituted this committee to evaluate and explore the ESOP scheme as per market trends. Now ESOP scheme has already been approved by board of directors and subsequently by members in extra ordinary general meeting held on 25.06.2022. Further necessary powers are vested in hands of board of directors of the company.

Accordingly, this committee is not required to be in existence, so Company has dissolved the ESOP support Committee by circular resolution dated July 05, 2022.

o) INTERNAL COMPLAINTS COMMITTEE

This Committee has been constituted as per the provisions set down in the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred to as "Act") as well as the terms of employment.

The purpose of this committee is to provide protection against sexual harassment of women at workplace and for the prevention and Redressal of complaints of sexual harassment and for matters connected therewith. Sexual harassment results in violation of the fundamental rights of a woman to equality under articles 14 and 15 of the Constitution of India and her right to life and to live with dignity under article 21 of the Constitution and right to practice any profession or to carry on any occupation, trade or business with includes a right to a safe environment free from sexual harassment.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

Ms. Kamini Sharma - (Presiding Officer)
Ms. Bharti Sukhyani - (Internal Member)
Mr. Virendra Kumar Bhargaw- (Internal Member)
Mr. Srikant Bohara- (Internal Member)
Ms. Charu Gupta - (External Member)

Ms. Kamini Sharma shall act as the Chairperson of the Committee

TERMS OF REFERENCE:

1. Implementing the policy relating to prevention of sexual harassment at workplace;
2. Investigating every formal written complaint of sexual harassment;
3. Taking appropriate remedial measures to respond to any substantiated allegations of sexual harassment;
4. Discouraging and preventing employment-related sexual harassment;
5. Provide an opportunity of conciliation, if requested and wherever possible;
6. Conduct the inquiry following the principal of Natural Justice keeping with the time frame laid down by the Act;
7. Recommend Interim Relief;
8. Recommend Police aid wherever necessary;
9. Redress the complaints in judicious manner;
10. Maintain confidentiality in regard to the proceedings taking place before the Committee;
11. Submit the final settlement/conciliation report to the Employer along with recommendations after settlement.

p) FORMATION OF PROJECT ADVISORY COMMITTEE (PAC)

The Company is primarily engaged in providing microfinance to low-income households in India. These individuals are predominantly located in rural areas which have no or very limited access to loans from financial institutions. Company extends loans to them mainly for use in small businesses or for other income generating activities. For this purpose of on-lending, the company is availing financial assistance from various banks and Financial Institutions. One such Lender is SIDBI from which company is availing financial assistance under PRAYAAS SCHEME and as per the guidelines of SIDBI's PRAYAAS SCHEME the company have to constitute committee in the name and style of "Project Advisory Committee" to review the operations and progress of arrangement availed under the scheme. One of the member from SIDBI is part of this committee to guide the committee for implementation of PRAYAAS SCHEME.

Objective of the committee is to review the operations and progress of arrangement availed under the SIDBI PRAYAAS SCHEME.

COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

1. Mr. Virendra Kumar Bhargaw (Vice-President)
2. Mr. Dharmendra Kumar Jangid (Vice-President)
3. Mrs. Preeti Verma (Assistant Head)
4. Authorised Person/Nominee of SIDBI

Mr. Virendra Kumar Bhargaw shall act as the Chairman of the Committee

TERMS OF REFERENCE

1. To review the operations and progress of arrangement availed under the SIDBI PRAYAAS Scheme;
2. PAC to act as a tool for monitoring mechanism & monitor the progress regarding
 - a) Deployment of limit;
 - b) End-use utilization;
 - c) Monitoring & follow-up of the limit;
 - d) Repayment, recovery and legal action related status in case of defaulted customers;
 - e) FLDG position status;
 - f) Grievances/complaints received/resolution status, if any, etc.;
3. PAC shall oversee compliance status of terms & conditions of limit sanctioned by SIDBI;
4. PAC shall review the progress of the livelihood of the borrower(s) after the assistance under the PRAYAAS Scheme;
5. PAC Shall review any other relevant matter under the arrangement as may be emanating from time to time;
6. Any other responsibility as may be entrusted to it by Board of the company from time to time;
7. Act as a tool to monitor the progress and other operational related matters under the arrangement.

REMUNERATION OF DIRECTORS

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat Equity	Other(Sitting Fee)	Total Amount
1.	Mr. Rajiv Jain	Chairman cum Managing Director	2,40,00,000	82,00,000	-	-	3,22,00,000
2.	Mr. Amit Jain	Whole Time Director & CFO	2,40,00,000	82,00,000	-	-	3,22,00,000
3.	Mr. Lalit Kumar Jain	Independent Director	-	-	-	100,215	100,215
4.	Mr. Nayan Ambali	Independent Director	-	-	-	59,855	59,855
5.	Dr. Amita Gill	Independent Director	-	-	-	25,110	25,110
6.	Mr. Jatin Chhabra	Non- Executive Director	-	-	-	1,05,770	1,05,770
7.	Mr. Dharmendra Saxena	Nominee Director - SIDBI	-	-	-	30,665	30,665

Note:

Furthermore, none of the Non-Executive Directors of the Company is taking any salary, benefit, bonuses, stock options & pension from the Company. The Company pays only sitting fee for attending the Board or Committee meetings and there is no fixed component and performance linked incentives involved therein, also Company has not signed any service contracts, notice period or severance fees contract with any of the Directors.

5. GENERAL BODY MEETINGS

Financial Year	Location of the Meeting	Day, Date & Time	Special Resolutions
2021-2022 26th Annual General Meeting	Through video conferencing & deemed venue at registered office of the Company.	September 29, 2021 at 11.30 A.M.	- Regularization of Dr. Amita Gill (DIN: 09066022) as an Independent Director of the company for the period of five years. - Re-appointment of Mr. Lalit Kumar Jain (DIN:07517615) as an Independent Director of the company for the second term for the period of five years.
2020-2021 25th Annual General Meeting	J-54-55, II Floor, Anand Moti, Near Toyoto Showroom, Tonk Rd, Gopal Pura Mode, Jaipur, Rajasthan 302018	September 29, 2020 at 11.20 A.M.	-
2019-2020 24th Annual General Meeting	J-54-55, II Floor, Anand Moti, Near Toyoto Showroom, Tonk Rd, Gopal Pura Mode, Jaipur, Rajasthan 302018	September 28, 2019 at 11.30 A.M.	- To regularize the appointment of Mr. Jatin Chhabra, As Director u/s 152 of Companies Act 2013. - To Increase the Authorised share capital of the Company. - Revision in the Terms of Payment of Remuneration of Mr. Rajiv Jain, Whole Time Director (DIN:00416121). - Revision in the Terms of Payment of Remuneration of Mr. Amit Jain, Whole Time Director (DIN:00416133).

*The 26th AGM was held through Video Conferencing on account of outbreak of COVID-19 pandemic. The AGM was conducted in accordance with relevant circulars issued by MCA.

6. SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT

No postal ballot resolution has been passed by the company during the period under review.

6. MEANS OF COMMUNICATION

The Board recognizes the importance of communication with stakeholders and giving are port of results and progress and responding to questions and issues raised in a timely and consistent manner. The Company has its website (<https://www.digamberfinance.com/>) that contains required information for the stakeholders.

(a) Quarterly Results

The Company has filed Quarterly Result from time to time with BSE Limited pursuant to the regulation 52 of SEBI (LODR) Regulation, 2015 and also uploaded the same on website of the company and are also displayed along with other relevant information viz., notices, shareholder communications, policies, Director's profile, Annual Report, other official news etc. on its website i.e. <https://www.digamberfinance.com/>

(b) Newspapers wherein result normally published

The quarterly financial results are generally published in Financial Express in compliance with Listing Regulations.

(c) Website

The Company's website <https://www.digamberfinance.com/> contains a separate section 'Investors' for use of investors. The quarterly, half yearly and annual financial results and official details are promptly and prominently displayed on the website. Annual Reports, and other Corporate Communications made to the Stock Exchanges are also available on the website.

7. GENERAL SHAREHOLDER INFORMATION

(a) Ensuing Annual General Meeting (AGM)

27th AGM of the company for the Financial year 2021-2022 will be held on September 30, 2022 at 11.30 A.M. through the Video Conferencing.

(b) Financial Year

Your company has followed 1stApril to 31stMarch as financial year.

(c) Dividend Payment Date

Board of Directors has not recommended any dividend for the year under consideration on Equity Shares of the Company.

Your Directors have declared the following interim dividends during the year:

Board of Directors has approved redemption & dividend on remaining 50% outstanding Optionally Convertible Preference Share i.e., 15,00,000 (Fifteen lacs Only) of Rs. 10/- (Rupees Ten Only) in their meeting held on 05.01.2022 of Rs. 10,39,315, which was paid on 05.01.2022 to preference shareholders.

(d) Stock Exchanges name and annual listing fee payment

Equity Shares of the company are not listed on any stock exchange in India or abroad however Non-Convertible Debentures are listed on BSE Limited. Details of the same is listed below:

Stock Exchange	ISIN	Stock Code
BSE Limited ('BSE') Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001, Maharashtra, India	INE02QN07011	959856

The Annual listing fees has been paid to the BSE Limited.

Non-Convertible Debentures (NCDs) outstanding as on March 31, 2022 are as follows:

Sr. No.	Details of Trustee	ISIN	No. of Debentures	Outstanding Amount(In Rs.)
1.	CATALYST TRUSTEESHIP LIMITED Windsor, 6th Floor, office No. 604, C.S.T Road, Kalina, Santacruz (East), Mumbai-400098	INE02QN07011	250	25,00,00,000

(e) Market Price Data

Equity Shares of the company are not listed in any stock exchange in India or abroad. Hence this point is not applicable.

(f) Performance in comparison to broad-based indices

Equity Shares of the company are not listed in any stock exchange in India or abroad. Hence this point is not applicable.

(g) Except mentioned below, no securities were suspended from trading during the Financial Year 2021-22

During the financial year 2021-2022, Company had redeemed following NCDs and fixed record date for the redemption as per agreed terms & conditions, pursuant to which the trading in said NCDs were suspended by BSE Limited.

Sr. No.	Payment Date	ISIN	No. of Debentures	Record Date	Amount(In Rs.)
1.	14/02/2022	INE02QN07029	100	27/01/2022	10,00,00,000
2.	30/03/2022	INE02QN07037	150	14/03/2022	15,00,00,000

(h) Registrar and Share Transfer Agent**CDSL Ventures Limited**

Address: Marathon Futurex, A Wing, 25th Floor,
Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (E), Mumbai-400013

SEBI Registration No. INR000004200

Authorised Person: Mr. Milind Saraf (Senior Manager)

Contact Details: milinds@cdslindia.com Mobile +91-9822274968

(i) Share Transfer System

The dematerialized shares are transferred directly to the beneficiaries by the depositories. Trading in equity shares of the Company is permitted only in dematerialized form. MCA has mandated that securities of unlisted public companies can be transferred only in dematerialized form. Accordingly, the Company & its Registrar and Transfer Agent have stopped accepting any fresh lodgment for transfer of shares in physical form.

Members holding shares in physical form are advised to avail of the facility of dematerialization.

(j) Shareholding Pattern/Distribution of shareholding as on March 31, 2022:

Sr. No	Category	Equity	
		No. of Shares	%
1.Promoters			
	(i) Individual/HUF	75,71,754	76.66
	(ii) Non-resident Indian (NRI)	0	0
2. Non Promoters Public Shareholding			
	(i) Government	0	0
	(ii) Insurance Companies	0	0
	(iii) Banks	0	0
	(iv) Financial Institution	0	0
	(v) Foreign institutional investors	0	0
	(vi) Mutual Fund	0	0
	(vii) Venture Capital	0	0
	(viii) Body Corporate (Not mentioned above)	10,43,800	10.57
	(ix) Individuals	12,61,376	12.77
Total		98,76,930	100

Distribution of shareholding

Category/No. of Shares	No. of Shareholders	% of total no. of shareholders	Total shares	% of total no. of shares
1-100,000	24	66.67%	851527	9.34%
100001-200000	2	5.55%	294450	3.23%
200001-300000	1	2.78%	253993	2.78%
300001-400000	3	8.33%	926359	10.16%
400001-500000	1	2.78%	419876	4.60%
500001-600000	-	-	-	-
600001-700000	-	-	-	-
700001-800000	1	2.78%	754384	8.27%
800001-900000	-	-	-	-
900001-1000000	1	2.78%	920139	10.09%
1000001-2000000	3	8.33%	4699583	51.53%

(k) Dematerialization of shares and liquidity

Equity Shares of the Company are in dematerialized mode and are registered under both the depositories i.e. NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's shares is INE02QN01014.

As on March 31, 2022, 93.53% of the Equity Shares of the Company representing 92,38,361 out of a total of 98,76,930 Equity Shares were held in dematerialized form and balance 6,38,569 Equity Shares representing 6.47% of the total equity capital of the Company were held in physical form.

During the period under review 1,18,050 (One Lakh Eighteen Thousand Fifty) Equity Shares has been converted in Demat.

(l) Outstanding GDRs/ADRs/Warrants or any Convertible instruments

The Company does not have any outstanding Global Depository Receipt or American Depository Receipt or any other convertible instruments.

(m) Plant Locations

The Company is in the business of Non-Banking Finance Company (Micro Finance Institution), hence this provision is not applicable.

(n) Commodity price risk or foreign exchange risk and hedging activities

The Company does not have any exposure to commodity price risks or foreign exchange risk and hedging activities during the period under review.

(o) Address for correspondence

The Company's registered office situated at J-54-55, Anand Moti, II Floor, Himmat Nagar, Gopalpura, Tonk Road, Jaipur-302018

(p) Credit Rating

Disclosure with regard to the Credit ratings is duly disclosed in the Board Report's.

8. OTHER DISCLOSURES

(a) Related Party Transactions

All the Related Party Transactions ('RPTs') that were entered into during the financial year were on an arm's length

basis and in the ordinary course of business. Transactions entered into by the Company with related parties in the normal course of its business were placed before the Audit Committee of the Board.

(b) Details of non-compliance by the company, penalties, strictures imposed on the company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

During the last three years, there has been no penalties or stricture imposed on the company by stock exchange(s) or the board or any statutory authority.

(c) Details of establishment of vigil mechanism/whistle blower policy

Pursuant to Section 177 of the Companies Act, 2013 and the Rules there under Company has established Whistle Blower policy / Vigil Mechanism for the directors and employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct. The Company has adopted a Code of Conduct named "DCL Code of Conduct" for Directors and Senior Management Executives & employees, which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of directors and employees who avail of such mechanism and also make provisions for direct access to the Chairperson of Audit Committee in appropriate or exceptional cases. This policy was approved by board of directors in their meeting held on Monday, 3rd day of October, 2016 and reviewed on 26th May, 2022. Further this policy is available on website of company at https://www.digamberfinance.com/wp-content/uploads/2021/09/Vigil_Mechanism_Whistle_Blower_Policy.pdf in compliance of 177 (10) of the Companies Act, 2013.

Further your Board of Directors affirm that no personnel has been denied access to the audit committee.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company is complying with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which are applicable for listed NCDs. However, the Company has not adopted any of the non-mandatory requirements stipulated under the said regulations.

(e) Material Subsidiaries

During the year under review, the Company does not have any material subsidiary.

(f) Web link where policy on dealing with related party transactions uploaded

https://www.digamberfinance.com/wp-content/uploads/2021/09/Related_Party_Transaction_Policy.pdf

(g) Disclosure of commodity price risks and commodity hedging activities

The Company does not have any exposure to commodity price risks or foreign exchange risk and hedging activities during the period under review.

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement

During the period under review, the company has not raised funds raised through preferential allotment or qualified institutions placement.

(i) There is no requirement of obtaining certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority as Equity Shares of the company are not listed in any stock exchange in India or abroad.

Hence this point is not applicable.

(j) Recommendations of the Committees

During the period under review, the Board has accepted all mandatory recommendation of the Committees.

(k) Total Fee Paid to the Statutory Auditor

During the period review, the company has paid Rs. 11.80 Lakh to the Statutory Auditors.

(l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Disclosure with regard to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is duly disclosed in the Board Report's.

(m) Disclosure by the company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

This clause is not applicable to the company as no Loans and advances was given to the any firms/companies in which directors are interested.

(n) The Company has complied with the requirements of Corporate Governance Report of sub-para (2) to (10) of Schedule V of the SEBI (LODR) Regulations, 2015.

(o) Status of Compliance of Discretionary Requirements as per Part E of Schedule II of SEBI (LODR) Regulations, 2015

1. A half-yearly/quarterly (wherever applicable) declaration of financial performance including summary of the significant events in the last six months/quarter may be sent to each household of shareholders:

Half-yearly/Quarterly (wherever applicable) financial results published in the newspapers, displayed on the website of the Company as well as disseminated to the Stock Exchanges after Board approval for information of Shareholders and other Stakeholders.

2. The Company may appoint separate persons to the post of Chairperson and MD & Chief Executive Officer

The Company has appointed Mr. Rajiv Jain as Chairman cum Managing Director and No Chief Executive Officer is appointed.

3. The Internal auditor may report directly to the Audit Committee

Periodical Internal Audit Report is place before the Audit Committee.

(p) Disclosure with respect to maintenance of functional website as per regulation 62 of SEBI (LODR) Regulations, 2015

As Non-Convertible Debentures of the company is listed on BSE Stock Exchange and per requirement of Regulation 62, the company has maintained functional website & access by the said web-link

<https://www.digamberfinance.com/>

(q) During the year under review, the Board has accepted all mandatory recommendation of the Committees.

(r) The Company has complied with Corporate Governance Requirements as specified in the SEBI (LODR) Regulations, 2015 and regulation 62(1) clause (a) to (k) for the period under review.

(s) Declaration signed by the chairman cum Managing Director regarding compliance with the code of conduct of board of directors and senior management is enclosed herewith as "Annexure-H"

(t) Compliance certificate from practicing company secretaries regarding compliance of conditions of corporate governance is not applicable on the company as Equity Shares of the company are not listed in any stock exchange in India or abroad

(u) Disclosures with respect to Demat suspense account/ unclaimed suspense account

Disclosure with regard to the establishment of Demat suspense account/ unclaimed suspense account is duly disclosed in the Board Report.

(v) Any query on Annual Report

Members can write an email on neha.agarwal@digamberfinance.in or send their query on mentioned address: J-54-55, Anand Moti, II Floor, Himmat Nagar, Gopalpura, Tonk Road, Jaipur-302018 addressed to the Company Secretary of the Company

9. SKILLS / EXPERTISE / COMPETENCE OF BOARD OF DIRECTORS

"Ladder of enthusiastic perceptions who can visualize the world of well-defined problems"

(a) POLICY ON DIRECTOR'S APPOINTMENT & REMUNERATION

DCL has got a pool of very dynamic and effective Board members who not only have apt qualifications but also have in store a good experience in the sphere of microfinance, banking, technology, finance and social performance management. Each member of the board has the expertise in a different field.

As per provisions of the Act and under the powers confirmed under article of association of the company, the Board of DCL will have at all times a minimum of 3 (three) Directors and maximum director shall not be exceed at any time as permissible in Companies Act, 2013.

The current Board of DCL comprises 7 (seven) Directors, including out of which Two (02) Promoter & Executive Director, three (3) Non-Executive Independent Director including a Women Independent Director, One (01) Non-Executive Director and One (1) Nominee Director –SIDBI.

Mr. Rajiv Jain is chairman of the Company.

The Board of DCL ensures that no Director of the company shall be:

- a) In the list of willful defaulters as published by the Credit Information Bureau (India) Limited pursuant to the directions of the Reserve Bank of India from time to time; and
- b) Disqualified to discharge his duties as a director with respect of any Applicable Law.

In the event if any Director appears on the list of willful defaulters, the Company shall take necessary corrective action, including, if necessary, replacement of such Director, within 30 (thirty) Days of receipt of such notice.

Further for independence of directors, Independent Directors have submitted the declaration of Independence as required pursuant to Section 149(7) of the Act, stating that they meet the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 and are not disqualified from continuing as Independent Directors. They are duly registered in the Independent Director Databank.

The Company has separate policy named “Nomination & Remuneration Policy” recommended by nomination & remuneration committee and thereafter approved by the board dated the 15th day of July, 2017. The policy covers all matters as specified in sub section (3) & (4) of section 178 of Companies Act, 2013. Further, the policies were reviewed by board dated 26thMay, 2022. Further this policy is available on website of company at https://www.digamberfinance.com/wpcontent/uploads/2021/09/Nomination_and_Remuneration_Policy.pdf in compliance of 178 (4) (c) of the companies act, 2013.

(b) REMUNERATION OF DIRECTORS

There are two executive directors in the company. Company is paying remuneration to both directors’ subject to compliance of Section 196, 197, 203 of Companies Act, 2013 read with schedule V of the said act and rules prescribed for this purpose and same is revised subject to the approval of shareholders in its meeting & as per recommendation of Nomination & Remuneration committee in compliance of Companies Act, 2013 along with its rules and guidelines provided by Reserve bank of India for this purpose.

Initiative during the year: -To align goals of company with goals of super management, it was approved to distribute certain percentage of profit to executive directors of company. Initiative will definitely inculcate new enthusiasm in environment.

10. CLIENT GRIEVANCE REDRESSAL MECHANISM

DCL is dedicated to provide the highest quality of services to its clients. To accomplish this, DCL have started a dedicated client Grievance Cell to timely and efficiently address their grievances. Company had developed the mechanism to solve the client grievances on the priority basis. Company gives toll free no “18001806365” to its customers for fastest solution.

Grievances Redressal Officer manages and maintains a control sheet where he notes down the all the grievances call and action taken subsequent to the grievance.

A copy of the control sheet duly updated by the grievance Redressal officer goes to the top Management as scheduled. The look at each and every complaint and appraise the Grievance Redressal Officer time to time. A summary of all such complaints is summarized and presented before Ombudsman Committee so that they can

appraise and guide the management on best practice. Grievances Redressal Mechanism helps DCL to be a customer centric organization. Further this mechanism is available on website of company at <https://www.digamberfinance.com/wp-content/uploads/2022/06/Client-Grievance-Redressal-Mechanism.pdf>

11. ADOPTION OF FAIR PRACTICE CODE

With the approval of board, DCL has adopted guidelines provided by Reserve bank of India regarding FAIR PRACTICE CODE for NBFCs which provides operating guidelines for effective dissemination and implementation of responsible business practices and to constantly review the functioning of working staff of the company for day-to-day business activities. Based on the guidelines provided by RBI, DCL has framed an internal policy on Fair practice code, duly approved by board. In addition to general principles provided by RBI for NBFCs some are the guidelines especially for NBFC MFIs. Same is communicated & implemented to provide transparency in day-to-day business activities.

Further this mechanism is available on website of company at <https://www.digamberfinance.com/wp-content/uploads/2022/06/Fair-Practise-Code.pdf>

For & on behalf of the Board of Directors of
Digamber Capfin Limited

Date: 06th Sept 2022
Place: Jaipur

-Sd-
Rajiv Jain
Chairman cum Managing Director
DIN: 00416121

-Sd-
Amit Jain
Whole-Time Director cum CFO
DIN:00416133

"ANNEXURE D"

SECRETARIAL AUDIT REPORT

Form No. MR-3

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 Personnel) Rules, 2014]

To,
The Members,

M/s Digamber Capfin Limited

Anand Moti, IInd Floor, J-54, 55 Near Toyota Showroom,
Tonk Road, Jaipur-302018, Rajasthan

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s DIGAMBER CAPFIN LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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 during the conduct of Secretarial Audit, I hereby report that in my 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **DIGAMBER CAPFIN LTD ("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 Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; [not applicable]
 - 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, 2009: [not applicable during audit period];
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014) [not applicable during audit period];
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [applicable during audit period];

- 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;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [not applicable during audit period];
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [not applicable during audit period]

(vi) The following other laws as applicable to the Company:

- a) "Non-Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007" and modification thereafter;
- b) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016;
- c) Master Circular – "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015"
- d) RBI Act, 1934 and modifications thereof;
- e) Income Tax Act, 1961.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;

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:

In respect of Secretarial Standards (SS-1) issued by ICSI, the Company has followed the same; however there is scope to improve compliances in future.

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including woman director and nominee director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- The Company has maintained statutory registers as required under the Companies Act, 2013.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent with proper time gap 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.
- Majority decision is carried through while the dissenting members' views are captured and recorded (wherever applicable) as part of the minutes.
- The Company has obtained all necessary approvals under the various provisions of the Act, where required and applicable; and
- As informed by the management, there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

- The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding (Not applicable).
- I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
- The company has complied with the listing agreement entered into with BSE Limited and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

I 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.

I further report during the audit period the company has undertaken specific actions regarding:

- Mr. Rajiv Jain (DIN: 00416121) Whole-Time Director of the Company has been appointed as Chairman Cum Managing Director in the Board Meeting held on 19th March, 2021 for a term of five years with effect from 14th April, 2021 to 13th April, 2026 and subsequently approved by the shareholder in their Extra-Ordinary General Meeting held on 13th April, 2021.
- Mr. Amit Jain (DIN:00416133) has been re-appointed as Whole-Time Director of the Company in the Board Meeting held on 19th March, 2021 for a term of five years with effect from 14th April, 2021 to 13th April, 2026 and subsequently approved by the shareholder in their Extra-Ordinary General Meeting held on 13th April, 2021.
- Dr. Amita Gill (DIN: 09066022) has been regularised as an Independent Director of the company in the 26th Annual General Meeting of the company held on 29th September 2021 for a First Term of Five year and her tenure as Independent Director for the period of five years shall be taken with effect from 12th February 2021 to 11th February 2026.
- Mr. Lalit Kumar Jain (DIN: 07517615) has been re-appointed as an Independent Director of the Company in the 26th Annual General Meeting held on 29th September 2021 for a Second Term of five years from the Conclusion of 26th Annual General Meeting till the conclusion of 31st Annual General Meeting of the Company.
- Company adopted new set of MOA and AOA in the Extra-Ordinary General Meeting held on 18.11.2021.

I further report that during the audit period, there were instances of:

- a) Company has redeemed 100 Listed Non-Convertible debentures issued to Punjab & Sind Bank on 14.02.2022.
- b) Company has also redeemed 150 Listed Non-Convertible Debentures issued to UCO Bank and Punjab National Bank on 30.03.2022.
- c) Company has redeemed remaining 50% of outstanding OCPS amount to Rs. 1,50,00,000/- at Par out of the profits of the Company.
- d) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013. (No such instance during the year)
- e) Merger / amalgamation / reconstruction, etc. (not applicable)
- f) Foreign technical collaborations. (not applicable)

For R. CHOUHAN & ASSOCIATES
(ICSI Unique Code: S2001RJ036300)

Sd/-

RAJENDRA CHOUHAN - PROPRIETOR
COMPANY SECRETARY IN PRACTICE
FCS No. 5118
C P No.: 3726

Date: 05/09/2022

Place: Jaipur

UDIN: F005118D00911320

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

Annexure A

To,
The Members,

M/s Digamber Capfin Limited

Anand Moti, IInd Floor, J-54, 55 Near Toyota Showroom,
Tonk Road, Jaipur-302018, Rajasthan

My 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. My responsibility is to express an opinion on these Secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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. My 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R. CHOUHAN & ASSOCIATES
(ICSI Unique Code: S2001RJ036300)

Sd/-

Date: 05th Sept 2022
Place: Jaipur
UDIN: F005118D00911320

RAJENDRA CHOUHAN - PROPRIETOR
COMPANY SECRETARY IN PRACTICE
FCS No. 5118
C P No.: 3726

"ANNEXURE E"

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NA

- (a) Name(s) of the related party and nature of relationship: NA
 (b) Nature of contracts/arrangements/transactions: NA
 (c) Duration of the contracts/arrangements/transactions: NA
 (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
 (e) Justification for entering into such contracts or arrangements or transactions: NA
 (f) Date(s) of approval by the Board: NA
 (g) Amount paid as advances, if any: NA
 (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NA

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

(a) Name(s) of the related party and nature of relationship:

- Mr. Amit Jain and Mr. Rajiv Jain (Key Management Personnel)
- Mrs. Shilpa Ajmera and Mrs. Shweta Jain (Relatives of Key Management Personnel)
- Ms. Neha Agarwal (Company Secretary – KMP)
- Rajiv Jain HUF and Amit Jain HUF (Enterprise in which KMP & their relatives are interested)

(b) Nature of contracts/arrangements/transactions: (Amount in Lakhs)

S. No	Expenses	Key Management Personnel						Relatives of Key Management Personnel			
		Mr. Rajiv Jain (Chairman Cum Managing Director)		Mr. Amit Jain (Whole-Time Director cum CFO)		Ms. Neha Agarwal (Company Secretary)		Mrs. Shilpa Ajmera		Mrs. Shweta Jain	
		Current Year (2021-2022)	Previous Year (2020- 2021)	Current Year (2021- 2022)	Previous Year (2020-2021)	Current Year (2021- 2022)	Previous Year (2020- 2021)	Current Year (2021- 2022)	Previous Year (2020- 2021)	Current Year (2021- 2022)	Previous Year (2020- 2021)
I.	Directors Remuneration										
	Salary	240.00	120.00	240.00	120.00	-	-	-	-	-	-
	Commission	82.00	60.00	82.00	60.00						
II.	Salary to Staff	-	-	-	-	3.00	3.29	27.85	24.00	27.85	24.00
III.	Compensation of KMP:	Current Year (2021-2022)		Previous Year (2020-2021)							
	a. Short Term Benefits					-	-	-	-	-	-
	b. Long Term Benefits	650.22		367.29							
		-		-							

(c) Duration of the contracts/arrangements/transactions: As per Resolution

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: As per Resolution

(e) Date(s) of approval by the board/shareholders if any:

(f) Amount paid as advances, if any: NIL

By Shareholders Approval:

Director Remuneration Mr. Rajiv Jain : EGM13.04.2021/
*EGM 25.06.2022

Mr. Amit Jain : EGM 13.04.2021/
*EGM 25.06.2022

Salary to Staff Mrs. Shilpa Ajmera : EGM 04.10.2018/
**EGM 25.06.2022

Mrs. Shweta Jain : EGM 04.10.2018/
**EGM 25.06.2022

***Note:**

Remuneration of Mr. Rajiv Jain and Mr. Amit Jain has been increased from Rs. 240.00 Lakh p.a. and not more 2% commission respectively w.e.f. 25.06.2022 to till 24.06.2025

****Note:**

Remuneration of Mrs. Shweta Jain and Mrs. Shilpa Ajmera has been increased from Rs. 36.00 Lakh to Rs. 60.00 Lakh p.a. respectively w.e.f. 25.06.2022 to till 24.06.2025

For & on behalf of the Board of Directors of
Digamber Capfin Limited

Date: 06th Sept 2022
Place: Jaipur

-sd-
Rajiv Jain
Chairman cum Managing Director
DIN: 00416121

-sd-
Amit Jain
Whole-Time Director cum CFO
DIN:00416133

"ANNEXURE F"

RELATED PARTY TRANSACTION POLICY

INTRODUCTION

The Companies Act, 2013 ("the Act") read with the Companies (Meeting of Board and its Power) Rules, 2014 ("Rules") introduced specific provisions relating to Related Party Transaction and defined the term related parties, related party transaction, relatives, key management personnel. The Act and the rules have also laid down the financial limits and the approval process of such transaction.

Accordingly, the Board of director (the "Board") of Digamber Capfin Limited ("The Company") has adopted a policy to regulate transaction between the Company and Related Parties.

A company, in the course of conduct of its business, enters into various transactions with different parties, including its related parties. Companies also carry on their activities through subsidiary and associate companies. Accordingly, related party relationships are a normal feature of business. Due to this relationship, related parties may enter into transactions that unrelated parties may not. For this the board of directors ("Board") of Digamber Capfin Limited ("The Company") has adopted the said Related Party Transactions Policy.

SCOPE AND PURPOSE

This Policy is formulated in line with the provisions of the Companies Act, 2013 and Directions issued by Reserve Bank of India. It is intended to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its related parties.

DEFINITIONS

1. "Act" means the Companies Act, 2013 or any previous enactment thereof and shall include all rules, regulations, made thereunder, amendments, modifications and re-enactments thereto.
2. "Arm's Length Transaction" as per explanation to sub-section (1) of Section 188 of the Act term 'arm's length transaction' as a transaction between two related parties that is conducted as if they were unrelated so that there is no conflict of interest. In terms of Section 92F of the Income-tax Act, 1961, "arm's length price" means a price which is applied or proposed to be applied in a transaction between persons other than associated enterprises, in uncontrolled conditions.
3. "Articles" or "AOA" means the Articles of Association of the Company as may be amended from time to time as prescribed under the Transaction Documents.
4. "Audit Committee" means "Audit Committee" constituted by the Board of Directors of the Company under section 177 of the Act and in compliance with Articles, from time to time.
5. "Board of Directors" or "Board" means the Board of Directors of the Company, as constituted from time to time.
6. "Director" shall have the same meaning as prescribed to it under the act.
7. **"Key Managerial Personnel (KMP)" means as per section 2(51) of the companies act 2013 in relation to a company, means—**
 - (i) The Chief Executive Officer or the managing director or the manager;
 - (ii) The Company Secretary;
 - (iii) The whole-time director;
 - (iv) The Chief Financial Officer;
 - (v) Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - (vi) Such other officer as may be prescribed

8. "Ordinary Course of Business" in relation to the Company means the ordinary course of business, as applicable, consistent with past practice and compliant with Applicable Laws in all material respects or to the extent required to taken in compliance with statutory obligations or contractual obligations existing as of the date hereof or entered in accordance with the terms of the Transaction Documents;
9. "Person(s)" shall mean an individual, corporation, partnership, limited liability partnership, association, trust or other entity or organisation, including a government or political subdivision or an agency or instrumentality thereof.
10. "Policy" means this policy in relation to Related Party Transactions of the Company.
11. "Related Party" means such party with reference to a company as defined in Section 2(76) of the Act.
12. "Related Party Transaction" means contracts or arrangements between a company and its related parties with respect to transactions covered in Section 188 of the Act. The expression 'contract or arrangement' has different connotations under the Act. While 'contract' envisages a written /formal binding document, 'arrangement' may be with or without a written document.

A "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.

Words and expression used in this policy but not defined herein shall have the meaning prescribed to them in the Companies Act, 2013 and the Rules framed there under as amended from time to time.

DEALING WITH RELATED PARTY TRANSACTIONS

All Related Party Transactions (other than transactions between the Company and its wholly owned subsidiaries) which are in the ordinary course of business and on arm's length basis shall require approval of the Audit Committee of the Company in accordance with this Policy.

Apart from this, All Other related party transactions shall be dealt with in accordance of the prevailing provisions of Companies Act, 2013 and rules made thereunder.

IDENTIFICATION OF RELATED PARTY TRANSACTIONS

All Related Party Transactions shall be placed before the Audit Committee of the Company for its approval.

All Directors, Members of the Management and Key Managerial Personnel (KMPs) are responsible for informing the Company of their interest (including interest at their Relatives) in other companies, firms or concerns at the beginning of every financial year and any change in such interest during the year, immediately on occurrence (As per enclosed Annexure).

Further, Directors and KMPs should disclose to the Board whether they, directly, indirectly, or on behalf of third parties, have material interest in any transaction or matter directly affecting the Company.

REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

All Related Party Transactions must be reported to the Company Secretary who shall place the same before the Audit Committee in accordance with this Policy.

The Audit Committee may grant omnibus approval to Related Party Transactions that are:

- a. repetitive in nature; and
- b. entered in the ordinary course of business and on arm's length basis.

Such omnibus approval may be granted to the transactions which, in addition to meeting the above criteria, also satisfy the following considerations:

- a) The transaction in question is necessary to be executed as it is in the business interest of the Company;
- b) The requisite information is presented to the Audit Committee's satisfaction to confirm that the transaction is entered in the ordinary course of business and on arm's length basis;
- c) Such omnibus approval shall specify –**
 - i. the name/s of the Related Party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into;
 - ii. the indicative value and the formula for variation in the value, if any and
 - iii. such other conditions as the audit committee may deem fit;
- d) Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of the financial year.
- e) Any member of the Audit Committee, who has an interest in any Related Party Transaction, will recuse himself or herself and abstain from discussion or voting on the approval or ratification of such related party transaction;
- f) All Related Party Transactions that are not in the ordinary course of business or not on arm's length basis shall be referred to the Board of Directors for their approval. Any member of the Board who has an interest in such Related Party Transaction will recuse himself or herself and abstain from discussion or voting on the approval of such Related Party Transaction.
- g) Any such Related Party Transactions shall also be placed for prior approval of shareholders if it exceeds the thresholds as prescribed under the Companies Act, 2013 and the Rules framed there under and the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 if applicable.
- h) All entities falling under the definition of related parties shall not vote to approve the said resolution being placed before the shareholders.

RELATED PARTY TRANSACTIONS THAT SHALL NOT REQUIRE APPROVAL

Following Related Party Transactions shall not require any separate approval under this Policy:

- I. Any transaction pertaining to appointment and remuneration of Directors and KMPs that require approval of the Nomination and Remuneration Committee of the Company and the Board;
- II. Transactions that have been approved by the Board under the specific provisions of the Companies act, 2013 e.g., inter-corporate deposit, borrowings, investment etc. with or in wholly owned subsidiaries or other related parties;
- III. Payment of Dividend;
- IV. Transactions involving corporate restructuring, such as buy-back of shares, capital reduction, merger, demerger, hive-off etc. which are approved by the board and carried out in accordance with the specific provisions of the companies' act, 2013;
- V. Contribution towards Corporate Social Responsibility (CSR) within the overall limits approved by the Board that require approval of the CSR Committee.

RATIFICATION OF TRANSACTION WITH RELATED PARTY

Where a company enters into any related party transaction without prior approval of Audit Committee, the company may ratify such transaction within three months to avoid any penal consequences.

DISCLOSURE OF RELATED PERSON BY KMP/DIRECTORS OF THE COMPANY

Every KMP/Directors of the company shall provide the complete details of their relatives in terms of section 2(77) of the act and their concern or interest in any company/firm/LLP or any other entity in the format as annexed "ANNEXURE-1" at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change for the purpose of identification of related party transaction as per provisions of section 188 of the act.

AMENDMENTS TO THE POLICY

The Audit Committee of the Company shall review this Policy from time to time, and may recommend amendments to the same for approval of the Board.

In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities not being consistent with the provisions laid down in this policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions herein and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

POLICY REPEALABLE

I. This Policy constitutes the entire document in relation to its subject matter. In the event that any term, condition or provision of this Policy being held to be a violation of any Applicable Law, statute or regulation, the same shall be Repealable from the rest of this Policy and shall be of no force and effect, and this Policy shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Policy.

II. This Policy shall be placed on the website of the Company at
<https://www.digamberfinance.com/corporate-governance/>

ANNEXURE-1

DISCLOSURE OF DETAILS OF RELATIVES AS PER SECTION 2(77) OF THE COMPANIES ACT, 2013

Name of Person:

Designation:

The details of my relatives are as under:

Sr. No.	Name of Relative	Relationship	PAN Number /Other Identification No.	Entities in which the relative is a self-proprietor/ partner or Member/ Director of a Private Company	Entities in which the director together with his relative(s) holds more than 2% of the paid-up share capital of a public limited company of which the director is also a director

Date:

Place:

(Signature)

"ANNEXURE G"

MANAGEMENT DISCUSSION & ANALYSIS REPORT

We are extremely pleased to inform that the Financial Year 2021-2022 has an incredible year for your Company. In the Financial Year 2021-2022 the Company crossed the AUM Size More than 1000 Crores. Two Covid-19 waves and escalation in external risks Despite that Digamber Capfin Limited has been emerged with a strong foundation, a clear strategy of Customer First and a rich product suite. your Company is well-positioned for the future. Your company has turned the corner and we can all look forward to a bright and sustainable future.

GLOBAL ECONOMY OVERVIEW

Financial year 2021-22 could be marked as the year of resilience with the economy COVID-19 pandemic with far-reaching impacts on health and wellbeing, lives and livelihoods worldwide. While the uncertainty related to Covid-19 reduced, the global environment turned more adverse. The surge in inflation pressures post Covid-19 shock has become a universal phenomenon impacting both developed markets (DMs) and emerging markets (EMs). The Omicron wave which struck World at the start of 2022, removed a lot of the uncertainty related to Covid-19. The combination of rising vaccination coverage and natural immunity kept hospitalization rates low. This allowed restrictions to remain less stringent and the impact on production activities were far less disruptive.

The war between Russia-Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest. Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected last January. Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential.

Global growth is expected to moderate from 5.9 in 2021 to 4.4 percent in 2022—half a percentage point lower for 2022 than in the October. World Economic Outlook (WEO) largely reflecting forecast markdowns in the two largest economies. A revised assumption removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages produced a downward 1.2 percentage-points revision for the United States. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade. Global growth is expected to slow to 3.8 percent in 2023. In terms of economic progress, the conflict has set the world back by a few decades at least. (source <https://www.imf.org/en/Publications/WEO>).

Commodity and fuel prices continue to rise, with inflation in the US touching 40-year highs, creating a broad-based impact across economies and sectors. Emerging economies are especially facing pressure in terms of ensuring essential services and social security for their people, sparking fears of civil unrest. In terms of economic progress, the conflict has set the world back by a few decades at least.

OUTLOOK

The outlook for the Indian economy, along with other world economies has been revised to factor the impact of the Russia-Ukraine conflict along with the ongoing expectations of recovery post the COVID-19 pandemic. Meanwhile, the Reserve Bank of India (RBI) has clarified on continuation of its accommodative policy stance in view of the persistent challenges and the rising inflationary pressure.

However, with the fundamentals of the country being intact, with higher vaccination coverage, gains from the supply-side reforms, regulatory easing out, healthy export growth, and availability of fiscal headroom is likely to lead India's march as the fastest-growing economy in 2022-23 as well.

THE INDIAN ECONOMY OVERVIEW

The year 2021-22 began amidst an aggravating second wave of COVID-19, marking a period of severe stress on healthcare systems and uncertainty regarding lives and livelihoods. The second wave came in April 2021, three months after India started its phased vaccination program, and ended up being far deadlier than the first. A sharp spike in the number of infected cases resulted in an acute shortage of hospital beds and access to high-flow oxygen. Yet, considering the economic impact of the pandemic, the country stopped short of an extended nationwide lockdown witnessed exactly a year before. The success of the immunization drive by the Government of India and festive season in the subsequent quarters lifted the sentiment and paved the way to recovery. Restrictions on mobility were localized and lockdowns were imposed intermittently, thus limiting the economic impact of the second wave.

Rising commodity prices, surging inflation, supply shortages, and shifting geopolitical realities across the world weigh on the growth outlook. Still, India will likely reign as the world's fastest-growing economy. India is expected to grow by 7.1-7.6 per cent in 2022-23 and 6-6.7 per cent in 2023-24. This will ensure that India reigns as the world's fastest-growing economy over the next few years, driving world growth. (Source: The Economics Times)

Consumer sentiment is hit and has sparked worries over an uncertain future. India relies on imports for 85% of the crude oil it consumes and thus, cannot isolate itself from the impact of the rise in prices of crude oil. As of March 31, 2022, India's oil import bill for 2021-22 was USD 119.2 billion, almost double the amount of USD 62.2 billion for 2020-21. This rise acts as a double whammy for a country's economy by putting pressure on its forex reserves, thus, weakening its purchasing power in the international market, while driving up Consumer Price Index (CPI) inflation, affecting prices of essentials including food grains, edible oil and more, threatening rise in poverty leading to social unrest. (Source: The Economic Times)

In March 2022, India's annual inflation rate touched 6.95%, the highest since October 2020. Food inflation also headed to 7.68%, after climbing for six months straight. The figure was at its highest since November 2020. Overall, close to double-digit price rise has been witnessed across categories of consumer durables, fuels, and housing as well. More importantly, however, consumer food price has witnessed a 100% increase from March 2021 to March 2022, up from 3.94% to 8.04% respectively, in rural areas and from 4.61% to 7.66%, respectively, in urban areas. This is creating increasing stress on consumer spending across the country. (Source: Down to Earth)

Riddled with these challenges as it is, there exists a silver lining. During fiscal year 2021-22, India witnessed continued growth in its GST collections. The Gross Goods and Services Tax (GST) revenue in March 2022 stood at INR 1,42,095 Crores, crossing the levels witnessed in pre-pandemic times. GST Compensation Cess crossing INR 10,000 Crores in a month for the first time ever in the previous month i.e. February 2022, is significant; among other things, it is a sure sign of recovery of certain key sectors. (Source: mint)

At its core, growth in GST collections signifies a rebound in consumption spending. Collections from direct taxes, including income tax and corporation tax touched a record INR 14.10 lakh Crores – INR 3.02 lakh Crores higher than the budgeted estimates – clocking a growth of 49% y-o-y compared to the last fiscal. (Source: The Economic Times)

MICROFINANCE REVIEW

"Microfinance", is also emerging as a fast growing sector in India. Microfinance is important because it provides resources and access to capital to the financially underserved, such as those who are unable to get checking accounts, lines of credit, or loans from traditional banks. There are various microfinance industry players which are broadly categorized into five types: NBFC –Microfinance institution (NBFC-MFIs), Banks, Small finance banks, NBFCs and Non-profit Microfinance institutions. Two broad lending models have been adopted by the company under the microfinance sector including Self Help Group (SHG), JLG (Joint Liability Group). However, the models vary amongst the different players.

Microfinance play a significant role in the financial system as they meet the credit needs of a large segment of society. The microfinance industry profitability profile improved and the microfinance industry's Gross Loan Portfolio (GLP) grew by 10.04 per cent to Rs. 2,85,441 crores as of March 2022 where the industry's GLP stood at Rs. 2,59,377 crores in March 2021. NBFC-MFIs are the second largest provider of micro-credit with a loan amount outstanding of Rs. 1,00,407 crores, accounting for 35.2 per cent of total industry portfolio. The GLP includes an owned portfolio of Rs. 82,458 crores and a managed portfolio of Rs. 14,104 crores. The microfinance active loan accounts increased by 4.4 per cent during the past 12 months to 11.3 crore as on March 31, 2022. NBFC-MFIs received a total of Rs. 47,931 crores in debt funding during financial year 2021-22, which is an 18.1 per cent increase from the preceding financial year 2020-21.

(Source: <https://economictimes.indiatimes.com/industry/banking/finance/banking/microfinance-gross-loanportfolio-grows-10-pc-to-rs-285441-cr-as-of-march-2022mfj/articleshow/92236184.cms>).

NEW REGULATORY FRAMEWORK BY RBI

The Reserve Bank of India has issued Direction called Reserve Bank of India (Regulatory Framework for Microfinance) Directions, 2022 on March 14, 2022 which came into effect from April 1, 2022. The new Regulatory Framework was required to match the changing dynamics of the MFI sector. The Company believes that the RBI's new regulations will provide a stronger framework with a level playing field for all lenders. Overall, the new framework is positive for NBFC-MFIs as caps on ticket sizes and pricing have been withdrawn and there is a move towards self-regularization and harmonization.

COMPANY OVERVIEW

DCL is a Rajasthan's first RBI regulated Non-Banking Finance Company–Microfinance Institution (NBFC-MFI). The Company is primarily engaged in providing microfinance to low income households in India. The Company focuses its operations in 8 states (excluding Andhra Pradesh and Telangana) in India, has 183 branches in 92 district and 2067 employees as on March 31, 2022. The core business of the Company is providing small value unsecured loans and certain other basic financial services to its Members (Individuals from low-income households who are clients of the Company are classified as "Members" and Members whose loans are outstanding are classified as "Borrowers"). These individuals often have no, or very limited, access to loans from institutional sources of financing. The Company believes that non-institutional sources typically charge very high rates of interest. The Company aims to bridge this gap by providing financial services at the doorstep of its members. The Members are predominantly located in rural areas in India and the Company extends loans to them mainly for use in small businesses or for other income-generating activities and not for personal consumption. In its core business, the Company follows a village-centric, group-lending model to provide unsecured loans to its members. This model relies on a form of 'social collateral', and ensures credit discipline through peer support within the group. The Company believes this model makes its members prudent in conducting their financial affairs and prompt in repaying their loans. Failure by an individual borrower to make timely loan repayments will prevent other Members in the group from being able to borrow from the Company in future. Therefore, the group will use peer support to encourage the delinquent Borrower to make timely repayments or will often make a repayment on behalf of a defaulting Borrower, effectively providing an informal joint guarantee on the Borrower's loan.

The Self-Help Group (SHG) concept has been prevalent in India for a few decades now. Under the SHG concept, NGOs help form groups of (mostly) women who are then, linked to a bank. The bank provides loan to the SHG. The SHG in turn, either distributes this amount within its members as smaller loans, or in some cases, the SHG undertakes a common business for which the bank loan is used as capital.

The demand for loans from these segments of people is very large and is not effectively serviced by the Bank-SHG linkages. This has led to the growth of MFIs who also undertake similar services.

FINANCIAL INCLUSION VIA DIGAMBER CAPFIN LIMITED

Micro finance is one aspect of banking the unbanked segments of society. It is as important, as finance is pivotal for social as well as economic development of the poor populace.

The great tragedy lies in the fact that sometimes even though there are certain financial services, to meet the needs of these low-income group people, these people remain unaware about the due to illiteracy or other reasons. Thus, lack of awareness also leads to the financial exclusion.

DCL is an institution, established 27 YEARS ago and focusing only on microfinance business since 2009. Due to focus only on its core business i.e., microfinance, DCL has built its outreach in various rural & semi-rural areas. Keeping in the view above requirement, DCL has taken an initiative by way of designing products, specially based on requirement of lower income group. Details are as follows:

Our Product Spectrum

Stronger connect with existing customers through introduction of new products, in terms of need and ever-changing trends

"INDIVIDUAL MICRO LOAN"	
• Beneficiary: • Small-medium enterprises • Shopkeepers • Small business/ industry • Dairy work	The company has commenced lending to borrowers under 'Individual micro loan (IML)' products which are not covered under the JLG model. We provide working capital loans to micro businesses for enabling of growth. By this we will be able to successfully solve the problem that was historically considered intractable in India.
"JOINT LIABILITY GROUP LOAN"	
FEATURES OF JLG Maximum NBFC-MFIs in India follow the JLG Model of lending because there is lesser risk of default in this model. In JLG Model generally there are 4-5 ladies form a group and around 15 ladies form a center. If in case any member of the group become defaulter in payment of installment, then the other members of the group need to pay the liability of that group member. All members are jointly required to execute loan document, making each one jointly and severally liable for repayment of all loans taken by all individuals belonging to the group. Members share liability and/or stand guarantor for each other. This ensures a greater effort on the part of members to ensure that everyone repays, thus ensuring resulting in better accountability and security for the MFI involved. Generally, all the members of the JLG are residing in the same village / compact area and not drawn from different / distant places and each group and center would have one leader resulting the leader fosters a sense of unity, oversees and maintains discipline, shares information and facilitates repayments. A regular meeting is hold for JLG members attended by all the members regularly to discuss issues of mutual interests. Further Members who have defaulted to any other formal financial Institution, in the past, are debarred from the Group Membership. This is the reason that Net NPAs are very less in case of NBFC-MFIs.	
"PRAYAAS LOAN"	
FEATURES OF PRAYAAS LOAN DCL has entered into partnership agreement with SIDBI under scheme of direct credit to clients named "PRAYAAS Scheme". Scheme has been launched in support of RBI fund with intention to support Micro Finance. Only 7 MFIs has been selected by SIDBI out of 110 MFIs over PAN India, Digamber Capfin Limited is one of them. It is significant to understand that only Digamber Capfin Limited is a company out of those 7 MFIs having asset size below Rs 500.00 Crores due to healthy portfolio created by its unique & digitalized operational procedures. We have received our first sanction of Rs. 25.00 Crores from SIDBI under this scheme wide sanction letter dated June 17, 2019. BENEFIT TO CUSTOMERS: Against the loans extended by MFIs in between 22-26% ROI, customers will get funded @ 14.06% PA.	

1. PRODUCT-WISE PERFORMANCE

"We welcome people from every walk of life to avail benefits of our financial products and solutions."

DCL's flagship product, 'JLG Model' continues to hold a dominant share in the organization's portfolio, constituting 94.26% of the total AUM. The product is for economically active women residing in low-income areas, generally involved in trade and service. Based on their repayment behavior higher ticket size loans are offered in the second and subsequent cycles.

The other products cater to the male segment also of the market who normally conducts their

business on a daily basis in the form of shops. The product was widely accepted in the market and made for a brisk business day by day. Total portfolio size of such types of products is 1.72 Crore as on March 31, 2022. These products are offered with differentiation in product features designed based on need of customer.

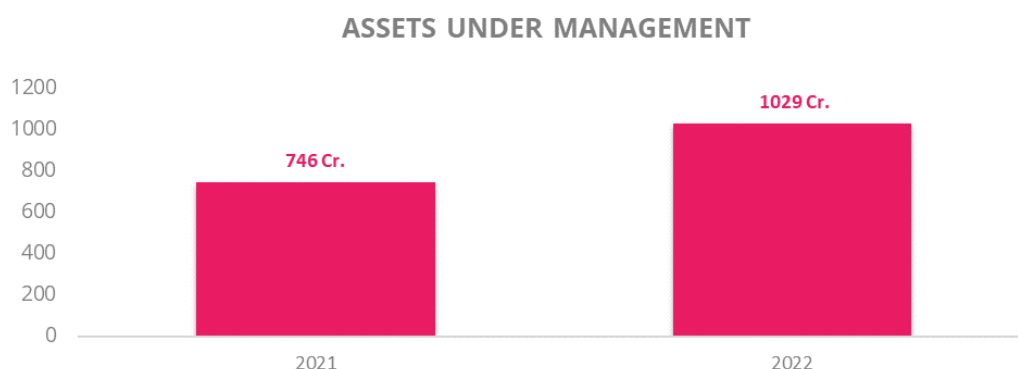
Further 89.36% share of total AUM falls with ticket size more than 30,000 but up to 60,000 loan amounts.

2. FINANCIAL PERFORMANCE

The nation faced localized lockdowns across the country and the rural economy was hit very hard. The business activities were affected the localized lockdowns and the microfinance industry had to increase the provisions based on stage-wise provisioning policy. Post July 2021, the economic situation gradually improved as the infection intensity reduced and vaccinations improved. The RBI further rolled out the restructuring schemes for the impacted segments in the economy. In the second half of the year financial year 2021-22, the microfinance industry witnessed recovery in its overall businesses and collection activities and. In January 2022, the third wave through in-house organic origination driven by the strong digital platform.

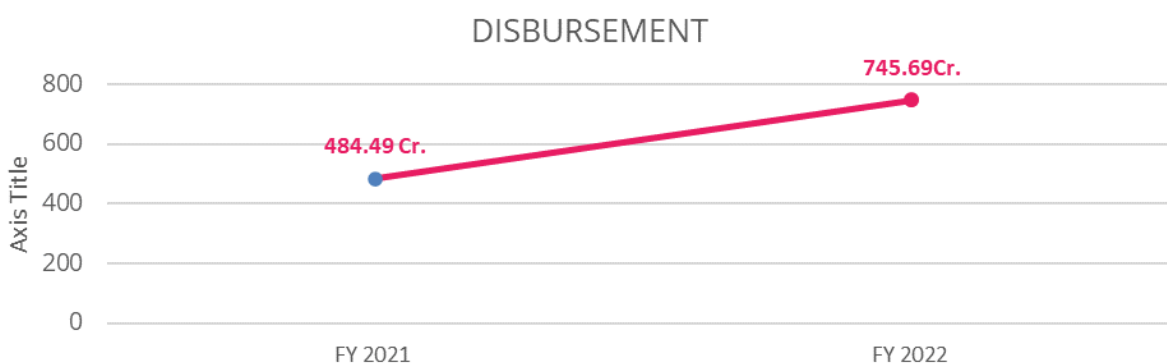
• ASSETS UNDER MANAGEMENT (AUM)

The AUM of the company has been grew by the 37.94%. In the financial year 2021-2022 the AUM of Rs. 1029 Crores as compared to previous financial year 2020-2021 the AUM of the company stood at Rs. 746 Crores.



• DISBURSEMENT

The Company has offer the two type of loan that is JLG and IML. During the financial year 2021-2022 the company has disbursed loans of amount Rs. 745.69 Crore as compared to Rs. 484.49 Crore in the previous financial year 2020-2021. Disbursement has been increased by the 53.91%.



• FUNDING SOURCE

The financial year 2021-2022 saw the sustainable growth in overall funded source. The Company deal with 17 bank and 9 financial institutions by obtaining the Financial assistance in the form of Cash Credit, Term Loan and non-convertible debenture.

- **COLLECTIONS EFFICIENCY**

From an operational perspective, it is aiming at expanding its reach and driving consistently better collection efficiency. Our collection efficiency has improved & for the period under review is More than 95% in financial year 2021-2022.

3. HUMAN RESOURCES

“Making vision a reality starts with hiring character and training skill.”

Human Resources personnel in the Microfinance sector face a major challenge in acquiring resources with the right skills, aptitude and also on retention of the employee. Company has set up a scalable recruitment and human resource management process, which enables to attract and retain high performing employees. It is ensured the organization remains competitive in its human resources management policies and practices by actively seeking and developing best practices, methods and approaches.

During the Financial Year 2021-2022, the total manpower stood at 2067 within 183 branches established in 8 states including head office. Out of this, 1428 staff constituting 69.09% of total staff is loan officers.

In line with its People Vision of ‘Opportunity for All’, the Company strived to embed a culture of empowerment across levels.

- **A SUPPORTIVE WORK ENVIRONMENT AND CULTURE**

Strong employee commitment is the foundation of enhanced customer experience. The Company rolled out a range of initiatives aimed at creating an environment that would help employees stay committed and succeed:-

- **INCENTIVE POLICY**

Company provides training to its entire field staff for achievement of set targets. Initiative is taken by the company to provide incentive to the existing Field officer/Branch in charge for providing training to new personnel recruited on the post of Field Officer. The Company has formulated “Field Officer Training Incentive Policy” to determine the Eligibility, Criterion and incentive amount and “Branch Staff Incentive Policy” for achieving their target & get rewarded with incentives.

- **EMPLOYEES REFERRAL POLICY**

The Company has formulated “Employees Referral Policy” to encourage existing employees to bring new talent and deserving employees in the company and company will provide referral money when any employees is joined the company from their reference.

4. OUR COMPETITIVE LANDSCAPE

UNIQUE DISBURSEMENT MODEL	UNIQUE COLLECTION MODEL	STRONG COMPLIANCE MODEL
• 100% cash less Disbursement • Disbursement 24*7 through IMPS/ NEFT facility • Aadhaar based biometric identification (e-KYC) of clients	• Integrated cash management system • Real time reporting of collection at Head Office • Collection through online modes like, Pay U, Razor Pay, Paytm, Infobip etc.	Commencement of in-house internal audit team for both field & Head offices staffs.

5. DIGITALIZATION

Technology has now become an operational necessity not only for MFIs but for all types of institutions. In order to fully leverage the potential of technology, there is a need to make investments to build financial and digital literacy of their clients, so that clients become confident of undertaking cashless transactions.

As DCL is conducting cashless disbursement since last 7-8 years, in the same way now company has introduced cash less collection as well. During this COVID pandemic we are using Pay-U payment private limited for availing payment gateway services; the clients have been able to make the payment of their installments online.

DCL is also using Infobip WhatsApp business solution model, which enables enterprise clients to submit messages to WhatsApp network users, as well to receive messages sent from WhatsApp network end-users back to enterprises. This has helped our company to communicate with our customers through mobile devices in a more efficient and cost-effective way. Our clients get messages with respect to their EMI Deductions and other related activities on WhatsApp.

The Company has taken a number of digital initiatives across all the lines of Business. We provide the facility of our customers of the Paytm and SBI Yono Merchant app to enable them to make hassle free payment.

The Company had already partnered with Finflux Technology in the previous year. In sync with the 'Digital India' initiative, Conflux Technologies is enabling the usage of cashless economy. Its flagship product FINFLUX works seamlessly to help the customers to automate loan origination in a completely paperless fashion.

DCL uses "FINFLUX", a Core Banking system on a SaaS model that provides high scalability and security. Our data is hosted in a secure Amazon Web Services VPN environment featuring restricted access controls with all sensitive data being encrypted before storage. FINFLUX features intuitive workflows for data entry, robust process controls and integrations with credit bureaus like Highmark which enables Digamber to accurately model and track their operational processes within the system. FINFLUX dashboards and reports provide both operational and management insight into group/client on-boarding and disbursements and collections.

The FINFLUX Android App is being piloted at branches so that field officers are enabled with the latest technology and field-level collections and data capture is reflected at HO and branches in real time.

FINFLUX ships with the facility to avoid paper-based records at each of these processes and sub-processes. These include:

- Aadhaar enabled e-KYC
- Online Credit Checks with CIBIL, Equifax and Highmark and Experian.
- Electronic KYC document management
- Electronic loan document vault for sharing documents between branches or agencies
- Workflow based loan origination to route loan application through different roles and teams and locations
- Rule based risk assessment, customer profiling and eligibility checks
- Cashless disbursements and repayments – with optional maker-checker facility
- SMS confirmation for sanctions and disbursements and Instant SMS receipts for repayments.

DCL plans to leverage the newer FINFLUX features this financial year to attain better operational efficiencies. These features include:

- Aadhaar-based on-boarding of customers for improved accuracy of data

- Aadhaar-based authentication for security
- Workflow-based Loan Origination to improve automated routing of loan applications
- SMS integration for disbursements and repayments for confirmation to clients and added security
- Rule based risk evaluation to reduce manual steps and aid decision making
- Other Credit Bureau integrations including Equifax and CIBIL
- Cashless disbursements via seamless interface with Banks and NPCI
- Cashless collections via ACH to reduce handling of cash
- Advanced accounting module featuring recurring journals, budgeting, asset management and depreciation.

Why this digitalization become blessing for the company

- Enabled instant credit bureau verification
- Reduced turnaround time for loan disbursements
- Improved data quality
- Reducing the instance of fake clients
- Enabled location-based field force task automation and geo-intelligence
- Enabled GPS based platform to avoid negative areas

6. IN HOUSE INTERNAL AUDIT DEPARTMENT

The Company has separate internal audit team with well-designed systems, policies and procedures to maintain financial & operational discipline. The Company's internal audit is initiated according to nature of DCL's business, size and complexity of operations. Department has been established based on the guidelines received from the Reserve Bank of India for in house internal audit for better compliance at all levels.

This department is an independent function that ensures checks and evaluates operational risks, internal financial controls, and adherence to policies and procedures by conducting inspection of branches as well as head office. All operations are routinely tested & significant audit observations and follow-up actions thereon are firstly discussed in risk management committee and thereafter reported in Audit Committee.

7. Financial Performance Along With Operational Performance: -

A) Profitability Performance

Comparison Of Financial Year 2021-2022 With Financial Year 2020-2021

Particulars	2021-2022		2020-2021	
	Rs. in Crore	% to revenue	Rs. in Crore	% to revenue
Revenue from operation	210.44		195.54	
Other Income	5.84		4.02	
TOTAL REVENUE	216.28		199.56	
Employee Benefit Expenses	52.10		34.75	
Depreciation & Amortization expenses	0.91		0.80	
Administrative expenses	10.59		12.48	
Provision for loan portfolio	12.99		8.82	
Write off	25.59		12.80	
Finance cost	67.56		63.62	
Profit before tax	46.55	21.52%	66.29	33.22%
Tax expense	4.46		15.31	
Profit after tax	42.08	19.46%	50.97	25.54%
Earnings per share				
Basic	42.61		51.61	
Diluted	42.61		51.61	

B) Brief Analysis Of Shareholders Wealth

Particulars	Units	2021-2022	2020-2021
Total revenue	Rs. in Crore	216.28	199.56
Increment over PY	%	8.38	-
PAT	Rs. in Crore	42.08	50.97
Increment over PY	%	-17.44	-
EPS (Basic)	Rs. in Crore	0.52	0.43
Increment over PY	%	20.94	-
EPS (Diluted)	Rs. in Crore	0.52	0.43
Increment over PY	%	20.94	-
Return of Equity	%	21.38%	32.97%
Increment over PY	%	-11.59	-

A) Operational Performance

Comparison Of Financial Year 2021-2022 With Financial Year 2020-2021

Particulars	Units	2021-2022	2020-2021	Increase / Decrease %
State	No's	8	8	-
Branches	No's	183	147	24.49
Employees	No's	2067	1327	55.76
Loan officers	No's	1428	919	55.39
Active borrowers	No's	307901	239037	68.03
New borrowers	No's	254212	88770	186.37

Analysis Of Above

TOTAL REVENUE In the financial year 2021-2022 the total revenue has been increase by Rs. 14.90 Crore to Rs. 210.44 crore in financial year 2021-22 from 195.54 crore in financial year 2020-21. This growth is primarily due to an increase in AUM by 34.12 % from Rs. 746.78 Crore in Financial Year 2020-21 to Rs. 1029 Crore in Financial Year 2021-22. Income also covers off balance sheet benefits.	PROFIT AFTER TAX Profit After Tax for the financial year 2021-22 was Rs. 42.08 Crore as compared to Rs. 50.97 in financial year 2020-21. The dilution in the net profit has been occur by caused of adoption of financial statement as per the IND-AS.
PROVISION FOR LOAN PORTFOLIO The Company is always striving to maintain better portfolio quality. At the year-end Net NPA is 0.90%. The provision for loan portfolio has been created by the company as per IND AS.	WRITE OFF As per report of Sa-Dhan, delinquency for 90 days & above is 9.82% whereas for DCL it is 3.66% which is considered to be very good as compare to industry data. DCL had written off its Loan assets of Rs. 25.59 Crore as on financial year 2021-22. Although our field staff is continuously working hard to re-collect this fund. Further till end of July we have recovered approx. Rs 1.68 Crore from that write off.
ADMINISTRATIVE EXPENSES The company is always striving to expand its Business during the Year the Company has open the New branches in Various state due to that the Administrative expense has increased.	EMPLOYEE BENEFIT EXPENSES There is an increase in Employee benefit expenses by Rs. 17.35 Crore from Rs. 34.75 Crore in Financial Year 2020-21 to Rs. 52.10 Crore in Financial Year 2021-2022. Reason being is due to the promotions & incentives given to employees. Incentive/ promotions are key to retain good employees.
EARNING PER SHARE (EPS) The Company has adopted Financial Statement as per the IND AS from financial year 2021-22, due to this many adjustment has done by the company in their Financial Statement. Such adjustment is result to the dilution of EPS of the Company. The reserve bank of India keeps up reducing the interest rate this is the another reason in dilution of equity.	

Analysis Of Above

Financial Growth Of Company Is More Dependent On Operational Growth As Well.

GEOGRAPHICAL COVERAGE As depicted above, total number of branches in financial year 2021-22 was 183, as against 147 branches as on financial year 2020-21, Number of Branches has increased during the financial year 2021-22 in comparison of financial year 2020-21. Currently company is operating in Rajasthan, Madhya Pradesh, Haryana, Himachal Pradesh, Punjab, Uttar Pradesh, Uttarakhand and Jammu & Kashmir.	HUMAN RESOURCES The number of employees as on March 2022 had been 2067, as against 1327 in financial year 2020-21. The company invested in hiring good quality talent and people to prepare them for market challenges. Due to that there is increment of Numbered of employee during the financial year 2021-22
NEW BORROWERS The number of new borrowers in financial year 2021-22 was 2,54,212, as against 88,770 in financial year 2020-21.	ACTIVE BORROWERS The total number of active borrowers in financial year 2021-22 has been 307901, as against 239037 in financial year 2020-21. The total number of disbursements had been increased compared to previous year.

8. Detail Of Key Financial Ratio As On March-2022

S. No	Particulars	2021-22	2020-21	Change in %
1.	Interest Coverage Ratio	1.69%	1.80%	-0.11
2.	Current Ratio	1.42%	1.46%	-0.04
3.	Debt Equity Ratio	2.11%	1.91%	0.20
4.	Operating Margin	58.76%	69.52%	-10.76
5.	Net Profit Margin	19.46%	25.54%	-6.1
6.	Return On Equity/Return On Net Worth	21.38%	32.97%	-11.59
7.	Capital Adequacy Ratio	24.64%	25.83%	-1.19

The Return On Net Worth Has Been Decreased By The 11.59% In The Financial Year 2021-22. The Change Has Occurred Due To Reducing The Interest Rate By Reserve Bank Of India And Significant Write Off Done By The Company.

9. Securitization/ Assignment

The Company Has Availed Rs. 232.68 Crore By Way Of Direct Assignment Transaction In Financial Year 2021-2022. These Transactions Enable Us To Add Name Of Annapurna Finance Private Limited In Our Funders List.

These Loan Assets Have Been De-Recognized From The Loan Portfolio Of The Company As The Sale Of Loan Assets Is An Absolute Assignment And Transfer On A 'No-Recourse' Basis. The Company Continues To Act As A Servicer To The Assignment Transaction On Behalf Of Assignee. In Terms Of The Assignment Agreement, The Company Pays To Assignee, On A Monthly Basis, The Pro-Rata Collection Amounts.

10. Network Expansion

With Its Comprehensive And Unique Solutions, Company Has Converted Substantial Percentage Of Trade Finance & Remittance Transaction Flow To Digital Mode.

Branches Are Equipped With Mix Of Technology And People To Give Our Customers Best-In-Class Finance Services. We Believe, This Will Have A Significant Impact In The Coming Years On Business Growth As Well As Networking With A Larger Potential Customer Base. As On March 31, 2022, We Have Funded More Than 3,07,901/- Customers Belongs To Various Rural & Semi-Rural Areas.

11. Disclosure Of Accounting Treatment

The Companies Has Prepared The Financial Statement In Accordance With The Prescribed Accounting Standard, Accounting Policies And Applicable Provision Of Company's Act And Master Directions Of Reserve Bank Of India.

12. Strategy Of Company To Run The Business Afer

Effective Risk Management Is Of Supreme Importance For Any Business To Thrive In A Space Mired In Volatility, Uncertainty, Complexity And Ambiguity. Company Has Achieved Sustainable Growth In Such A Challenging Environment With Its Disciplined Focus On Operational Excellence And Risk Management.

Our Business Strategy Is Framed To Identify Risks And Possible Challenges That May Derail Our Journey To Meet The Goals. The Risk Management Committee At Company Strikes A Balance Between Managing Risks And Capitalizing Opportunities. Our Response To Identified Risks Includes Acceptance, Avoidance, Transfer And Mitigation.

STRATEGY 1: SUSTAIN BUSINESS GROWTH		
Where will the growth come from?	How to fund this growth?	How to manage this growth?
(1) New branches set up in existing states. (2) Creating existence in new states. (3) New states where we plan to enter in the coming years. In the last two years, company set up 34 branches in existing markets. It plans to extend its footprint deeper into the underserved districts and villages in the states of its presence.	The credibility earned as an ethical, trustworthy and transparent organization has drawn multiple lenders to fund its growth. The consistent rating upgrade shave expanded company's financial partners to include various public and private sector banks/ NBFCs and financial institutions. The success is reflected in the fact that company mopped up Rs. 1398 crore in the last two years when the sector was plagued with unprecedented volatility.	A team of seasoned professionals, centralization of operations and robust IT-based processes helped disciplined management of growth. The Leadership Team has decentralized regular business operations to a strong middle management team and replaced manual processes with IT solutions that provides it with a bird's eye view of the business on a real-time basis; it also allows the Leadership Team the flexibility to course correct immediately when required.
30.00% CAGR OF DISBURSEMENT FOR 7 YEARS		

STRATEGY 2: SUSTAIN QUALITY GROWTH		
Service is critical to quality growth.	Knowledge is essential for process adherence	Adequate checks-&-balances is essential for plugging the gaps
Speed in disbursement is essential for attracting customers. The Company's IT-based on-boarding solution and cashless disbursement practice have enhanced the speed of service and significantly improved the asset quality. At present turnaround time for more than 50% loans is 1-2 weeks in the company.	Rigorous training is fundamental to process adherence. The Company provides training to its entire field staff for achievement of set targets. Initiative is taken by the company to provide incentive to the existing Field officer/ Branch in charge for providing training to new personnel recruited on the post of field officer. Company has formulated "Field Officer Training Incentive Policy" to determine the eligibility, criterion and incentive amount.	In this people-dominated business, timely checks-and-balances assist the person and the company to stay the course. Over the years, company has continued to strengthen its audit coverage to ensure that every material transaction and business initiative is thoroughly examined. The Company has separate internal audit team with well-designed systems, policies and procedures to maintain financial & operational discipline.
NPA AS ON MARCH 31, 2022 3.66% GROSS NPA & 0.90% NET NPA		
STRATEGY 3: IMPROVE PROFITABLE GROWTH		
Controlling cost of funds	Optimizing operational costs	Checking provisioning & bad debt
Managing the coupon rate while securing funds is crucial. Continuous widening of the lender base and increasing diversification among the lender category enables company to procure funds at better costs. Prudent cash and debtor management improve liquidity.	Reduction in variable and fixed cost is critical for business profitability. Increasing focus on digitizing day-to-day business processes helped in optimizing operational costs. Growing business volumes provide economies of scale and facilitate better absorption of fixed costs.	Superior collection efficiency reduces provisioning and bad debts. Focus on collections by the operational team, stringent monitoring of cash collection at the branch helps in minimizing the incidence of provisioning and bad debts.
PAT MARGIN AS ON MARCH 31, 2022 19.44%		
STRATEGY 4: UPHOLD REPUTATION		
Earn the trust of customers and employees	Secure data to enhance the brand image	Take care of the community at large to earn respect
The Company finds its biggest endorsement in the satisfaction of its customers and the success of its people. Company has, over the years, built the reputation of an honest business house with transparent terms and processes. For employees, company is a place that always encourages every individual to pursue his professional as well as personal goals. It believes in development of its human capital so that a smarter workforce can create a smarter organization.	As a proactive organization, company has invested in the requisite solutions for securing its systems, architecture and data from external threats. It has institutionalized adequate and appropriate mitigation strategies that prevent leakage of vital data. IT strategy committee and IT steering committee of company secures data at both management level and lower level.	Company believes in making a difference to people at large. It continues to invest mind, time and funds to uplift lives of fellow Indians through meaningful interventions in critical areas such as education, health and hygiene and livelihood. The Company implements programmes across the Indian landmass to provide hope to the underprivileged. These initiatives have earned company considerable respect among the rural masses as a mindful and helping organization.

FUNDING STRUCTURE

Diversified borrowing structure & continue introduction of new lenders is a testimony of the faith of investors and lenders over the organization

13. DIVERSIFIED FUNDING

In order to reduce dependence on a single lender, the Company has adopted multiple banking arrangements instead of depending on single lender. None of the lender has borrowing proportion more than 25% as on 31st March, 2022.

The Company meets the requirements of PSL guidelines and regularly accesses bank financing that qualifies as PSL. With the quarterly compliance on PSL reporting for banks, the seasonality in funding is reduced and ensures credit flow to the MFI sector on a regular basis through the year. During the previous year company has raised Rs. 779.69 Crore from various lenders in the form of loan/ DA/ PTC/NCDs.

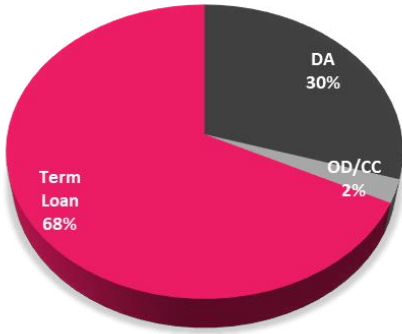
DEBT FUNDING

Growing organizations as DCL are in constant need of fund to expand their business, meet working capital needs, or make optimal use of business opportunities. Business loans, either from traditional sources like PSUs or from private banks or FIs/ NBFCs can provide an optimal solution to meet such financial requirements.

Where appearance of PSUs establishes comfort level for other lenders, private lenders in comparison are catering huge demand due to their simple and speedy loan disbursal process.

As on 31st March, 2022 company is having 26 lenders with mixture of public sector banks, private banks, financial institutions & NBFCs.

Details are as follows:

BANKS	NBFCs/ FIS	Borrowing Instrument Mix
PUBLIC SECTOR UNDERTAKING 1. State Bank of India 2. Punjab National Bank 3. UCO bank 4. Bank of Baroda 5. Indian Bank 6. Union Bank of India 7. United Bank of India 8. Bank of India 9. Canara Bank 10. Indian overseas Bank PRIVATE SECTOR BANKS 1. IDFC First Bank Limited 2. Bandhan Bank 3. Jana Small Finance Bank 4. Kotak Mahindra Bank 5. Federal Bank 6. SBM Bank 7. IDBI Bank	NBFCs 1. Hinduja Leyland Finance 2. Moneywise Financial services 3. MAS Financial Services 4. Manaveeya Development & Finance 5. Muthoot Capital Services 6. Nabsamruddhi Finance Limited 7. Nabfins Limited 8. Nabkisan Finance Limited FINANCIAL INSTITUTIONS 1. SIDBI	 DA 30% OD/CC 2% Term Loan 68% ■ DA ■ OD/CC ■ Term Loan

14. Rating & Grading

Comprehensive Mfi Grading/ Rating & Coca Assessment

COCA Assessment	M2C1 <i>"M2" signifies high capacity of the organization to carry out its activities in a 'sustainable manner'. As per CARE grading rational company have sound management, good portfolio quality, standard operating processes, diversified operations and management information system.</i> <i>"C1" signifies excellent performance on COCA dimensions.</i>
Bank loan Rating	BWR BBB+ <i>Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.</i>

15. Strengths And Opportunities

Strengths

- **Experienced & Professional Management Team**

The Company Is Promoted By Two Professionally Qualified First Generation Entrepreneurs, Mr. Rajiv Jain And Mr. Amit Jain. Both Are Having Finance Industry Experience Of More Than 27 Years. Further Board Of Directors Of Company Consists Of Mixture Of Executive, Non-Executive, Independent And Nominee Directors, Well Qualified And Efficient In Their Fields To Provide Leadership And Strategic Guidance, Objective Judgment, Independent Of Management To The Company And Exercise Control Over The Company.

- **Internal Accruals**

Internal Accruals Forming Part Of Tier I Capital Is Higher As Compared To Peer Companies I.E., Rs 55.94 Crore (Previous Year 64.56 Crore).

- The Growth Is Mainly Attributable To Strategy Of Aggressive Penetration In Existing Markets And Expansion Into Newer Regions And The Ability Of The Company To Infuse Capital And Funds From Banks And Fis To Fund The Growth Plans. As On March 31, 2022. Dcl Has 307901 Active Members Managed Through 183 Branches (Individual & Jlg) With Total Aum Of Rs. 1029 Crore As On 31.03.2022.

- **Comfortable Crar Well Above Statutory Requirement Of 15%**

With Improvement Of Tier-I Crar And Tier-II Crar, Dcl's Overall Crar Substantially Up To 24.64% As On March 31, 2022, Well Above From Statutory Requirement Of 15%.

- **Diversified Portfolio By Product & Geography**

The Loan Portfolio Of Dcl Is Fully Diversified With Concentration In 8 States Comprised Of 183 Branches With 92 Districts As On March 31, 2022. The Company Has Increased Penetration By Way Of Increased Branch Network In Geographies Like Rajasthan, Madhya Pradesh, Haryana, Uttarakhand, Punjab, Himachal Pradesh, Jammu And Kashmir & Uttar Pradesh And Likely To Increase Going Ahead.

- **Strong Assets Quality With Low Delinquency**

Majority Of Lending Of Dcl Is To Jlg Segment Wherein The Loans Are Unsecured In Nature. Despite Unsecured Nature Of Loans, Dcl Has Been Able To Maintain Good Asset Quality Over The Years By Collecting Repayments On Time. As On March 31, 2022, Gross Npa% Stood At 3.66% And Net Npa% At 0.90%.

- **Progress Towards Digitalization**

Dcl Is The Among The Few Nbf-Mfi In India Which Is Operating On Cash Less Disbursement Module Whereby It Is Disbursing Loans To Customer Directly By Neft/ Imps To Their Bank Account.

- To Further Work In Alignment With Government Of India Vision For Cash Less Transaction Dcl Has Framed Policies For Collection Also And Has Drafted Two Under-Mentioned Policies. The Same Will Be Implemented In Systematic Manner And Phases For Smooth Transition.
- Customers Are Insisted For Repayment Through Bank Account And Concept Of Ecs Has Been Introduced. The Products Have Been Redesigned In Such A Way That The Customer Finds "Money Saves" In Repayment Through Ecs.
- Dcl Is In Talks With Various Nationalized Banks (Sbi, Pnb And Idbi To Name A Few) And Working Out On The Possibility Of Getting Pos For Collection Of Emi. Considering The Usp Of Dcl Which States That No Cash Disbursal, All The Intended Customer Of Dcl Have Bank Account And This Is One Better Way For Emi Collection.
- Diversified And Growing Resource Profile

Opportunities

- Regulatory Environment
- 70% Of The Indian Population Lives In Rural Area, So There Is A Huge Opportunity For The Company To Meet The Demand Of These Unserved/ Underserved Section
- Ability To Recruit & Retain Skilled Employees.
- Introducing New Services
- Market Linkages
- Availability Of Ample Funds
- Huge Population Below Poverty Line.

16. Capital Adequacy

The Capital Adequacy Ratio Of The Company Was 24.64% As Of March 31, 2022 As Against The Minimum Capital Adequacy Requirements Of 15% By Rbi.

17. Membership Of Sa-Dhan

A. Overview

The Industry Associations/ Self-Regulatory Organization (Sro) Are Expected To Facilitate Compliance By The Non-Banking Financial Companies That Are Engaged In Microfinance With The Regulations And Code Of Conduct And Function In The Best Interest Of The Customers Of The Nbf-Mfis. The Membership Of Nbf-Mfis In The Industry Association/Sro Will Be Seen By The Trade, Borrowers And Lenders As A Mark Of Confidence.

B. Membership Of Dcl In Sadhan

Although Rbi Has Not Mandated Membership Of Sro For Nbf-Mfis But For More Borrower Protection And Education, Monitoring, Dcl Has Taken Membership Of Sa-Dhan W.E.F 15.12.2017 Wide Membership No. 0350. Membership Of Sro Ensures Better Governance, Monitoring And Compliance With The Regulatory Framework Put In The Place By Reserve Bank Of India.



C. Adoption Of Code Of Conduct Prescribed By Sa-Dhan In Association With Mfin

During The Year It Is Observed That It Is Important To Have Well Defined Core Values And Adopt Fair Practices To Ensure That Services Provided By The Company Are In Manner That Benefits Clients, And Is Ethical And Dignified. For Having Better Quality Of Services, Transparency In The Working And To Ensure That All Practices Related To Lending And Recovery Of Loans Are Fair, There Is A Need To Adopt Well Defined Code Of Conduct Policy.

Further Sa-Dhan Is Association Of Community Development Finance Institution, Working For More Than One And Half Decades In Supporting And Strengthening The Agenda Of Financial Inclusion And Recently Recognized By The Rbi As Self-Regulatory Organization (Sro) For The Microfinance Sector. Sa-Dhan Has Published Its Edition Of Code Of Conduct Named "Mfi Industry Code Of Conduct – 2015" In Association With Mfin Especially For Micro Finance Industry. So, With The Approval Of Board Of Directors In Its Meeting Dated Thursday, April 28, 2016 Dcl Has Adopted Code Of Conduct Prescribed By The Sa-Dhan In Association With Mfin Named "Mfi Industry Code Of Conduct – 2015"

18. Approach

Social Approach

Dclbelieves That Access To Basic Financial Services Can Significantly Augment Economic Opportunities For Poor Families And In Turn Help Improve Their Lives. Dcl Is Committed To Creating A Distribution Network Across Underserved/ Un-Served Sections Of Society In Order To Provide Easy Access To The Full Portfolio Of Microfinance Products And Services. It Also Looks At Using This Network To Add Value To The Lives Of Its Members By Providing Quality Goods And Services That Our Members Need At Less Than Market Rates.

We At Dcl Believe That Our Members Have A Voice. Being Committed To Our Members, We Listen, Understand And Act On What They Say. While Our Business Manager Meets Our Members And Interacts With Them Frequently, Dcl Routinely Checks And Tracks Its Service Quality Through Various Initiatives Focused On Capturing The Thoughts And Needs Of Our Members. Our Member Origination And Servicing Efforts Strategically Focus On Building Long-Term Relationships With Them And Address Specific Requirements In A Particular Region.

19. Risk Management

Dcl Has Implemented A Risk Management Framework Commensurate To Its Size And Quantum Of Operations To Manage Various Risks Including Credit, Market And Operational Risks. We Have A Robust Risk Management And Internal Controls System To Identify, Assess, Monitor And Manage All Of These Risks In Accordance With Well-Defined Policies And Procedures. Committees Of The Board Of Directors Have Been Constituted To Oversee Various Risk Management Activities. The Risk Management Committee Of Dcl Board Of Directors Meets Once Every Quarter And Reviews Risk Management Policies In Relation To Various Risks Including Portfolio, Liquidity, Interest Rate, And Operational Risks, Investment Policies And Strategy, And Regulatory And Compliance Issues In Relation Thereto.

Key Risk Events (Both Potential And Actual) Were Identified For All Departments With Possible Causes, Frequency Of Occurrence, Evidence Of Occurrence, Existing Control Measures And Effectiveness Of The Control Measures For Each Of The Risk Events. Key Risk Indicators (Kris) Were Finalized For Each Department For Areas Identified As High Risk. Risk Threshold Breaches Of The Kris Are Discussed With The Respective Functional Heads And Corrective Action Plans Documented For Future Review.

Credit Risk

Risk Of Non-Repayment Of Loans By Customers Is One Of The Primary Risks Faced By The Company. The Joint Liability Framework Provides The Basic Risk Mitigation Where The Other Members In The Group Take Active Role In Credit Screening And Monitoring Credit Behavior Of Other Customers Apart From Providing Credit Guarantee.

Non-Payment May Be Triggered By Either Excessive Borrowing By Clients Due To Multiple Mfis Offering Loans As Also Borrowing From Other Sources, Due To Health-Related Issues And Due To Natural Calamities, Such As Floods Etc. Mfis Without Sound Operational Risk Management Process And Not Following Prudent Lending Practices Can Cause Problems.

Dcl Considers All Other Borrowings Of Clients, Need For Funds For Productive Purposes And The Bonding With The Rest Of The Group Members, Before Extending Loan Which Is Further Reinforced Through Group Guarantees. In Addition, With The Full Rollout Of The Credit Bureau Initiative, Over-Borrowing Has Been Effectively Curtailed. Against The Regulatory Requirement Of All NbfcmfIs Being Required To Provide Their Data Base To The Credit Bureau's Once A Month. This Helps To Ensure That The Data With The Bureaus Are Of As Late A Vintage As Possible, Preventing Multiple Borrowings Slipping Through The Gaps.

Operational Risk

Risk Due To Inadequate Or Failed Internal Processes, People Or Systems Could Cause Loss To Dcl. Micro Finance, Given Its Small Ticket Size Is Transaction-Intensive. These Transactions Are Handled By Large Number Of Employees Spread Over 184 Branches In 8 States. Further The Disbursement To Borrowers Were Done Through Electronic Fund Transfer Also The Cash Disbursement Interested Borrowers Were Encouraging To Open Bank Accounts. But Collections From Borrowers Are Done By Way Of Cash, Increasing The Operational Risk. Under The Circumstances It Becomes Critical To Have Sound Risk Management Practices, But Company Has Taken Cash Insurance From One Of The Reputed Insurance Company.

The Dcl Has Put In Multi-Layered Checks And Controls Over Key Client Interface Processes. While It Would Be Impossible To Prevent Staff From Committing Frauds, The Approach Of The Company Is To Put In Place Robust Controls To Shorten The Gap To The Minimum Between An Employee's Wrong Action And Its Detection. Each Field Level Process Conducted By The Staff Is Scrutinized Through Multiple Levels Of Risk Oversight. Further The Company Also Constantly Upgrades Its Control Processes Based On Analysis Of Failed Processes. The Company's Robust Controls Are Well Reflected In Almost Negligible Instances Of Breach Of Control. The Control Parameters Of The Company Are Generally Held As Benchmarks In The Mfi Sector Globally And The Company Continues To Fine-Tune The Same Based On Experience

Market Risk

Liquidity Risk: Given The Sensitive Nature Of The Sector, The Funding By Banks Is Closely Linked To The Overall Image Of The Sector As Well As The Regulatory Environment. Any Change In These Factors Could Affect The Overall Liquidity Position Of The Company. Also, Excess Liquidity Carry Leads To Negative Carry On The Surplus Cash As The Yield On Short Term Investment Is Always Lower Than Borrowing Cost. The Company Has Internal Guidelines On The Quantum Of Excess Liquidity Which Is A Balance Between The Need For Liquidity And Reducing The Cost Of Negative Carry On Excess Liquidity.

20. Cautionary Statement

Statements In This Management Discussion And Analysis Describing The Company's Objectives, Projections, Estimates And Expectation May Be 'Forward Looking' Within The Meaning Of Applicable Laws And Regulations. Actual Results Might Differ Materially From Those Expressed Or Implied.

For & On Behalf Of The Board Of Directors Of
Digamber Capfin Limited

Date: 6th Sept 2022
Place: Jaipur

-Sd-
Rajiv Jain
Chairman Cum Managing Director
Din: 00416121

-sd-
Amit Jain
Whole-Time Director cum CFO
DIN:00416133

"ANNEXURE H"

DECLARATION BY CHAIRMAN CUM MANAGING DIRECTOR UNDER SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I Rajiv Jain, Chairman cum Managing Director of Digamber Capfin Limited hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel, as approved by the Board, for the financial year ended on March 31 2022.

For Digamber Capfin Limited

Sd/-

Rajiv Jain
Chairman cum Managing Director
DIN: 00416121

Place: Jaipur

Date: 6th Sept 2022

Independent Auditor's Report

on the Standalone Ind AS Financial Statements

To
The Members of

Digamber Capfin Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **Digamber Capfin Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Change in Equity and Statement of Cash Flow for the year then ended, and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31 March 2022, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("the act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key Audit Matters	Auditor's Response
1.	Transition to Ind AS accounting Framework In accordance with the roadmap for first time implementation of Ind AS for non banking financial companies, as announced by the Ministry of Corporate Affairs, the Company has adopted Ind AS from April 1, 2021 with transition date of April 1, 2020.	Our audit procedures are as under: - Assessed the Company's process to identify the impact of adoption and transition to the new accounting standards. - Evaluated the design of internal controls and tested the operating effectiveness of key internal controls around the process of preparation of Standalone Financial Statements;

1.	For periods up to and including the year ended March 31, 2021, the Company had prepared and presented its financial statements as required under the erstwhile generally accepted accounting principles in India. In order to give effect of the transition to Ind AS financial statements for the year ended March 31, 2022, together with the comparative financial information for the previous year ended March 31, 2021 and the transition date balance sheet as at April 1, 2020 have been prepared under Ind AS. The transition involved significant changes to the Company's policies and processes relating to financial reporting, including generation of reliable and supportable information. Further, the management has exercised significant judgement for giving the effect of principles of First-time Adoption of Indian Accounting Standards (Ind AS 101), as at transition date including election of available options for transition of balances as at transition date from the erstwhile generally accepted accounting principles to Ind AS and to determine the impact of the new accounting framework on certain accounting and disclosure requirements prescribed under extant Reserve Bank of India ('RBI') directions.	• Reviewed the exemptions availed by the Company from certain requirements under Ind AS; • Obtained an understanding of the governance over the determination of key judgments; • Evaluated and tested the key assumptions and judgments adopted by management; • Assessed the disclosures made against the relevant Ind AS; and • Determined the appropriateness of the methodologies and models used along with the responsibility of the outputs.
2.	Impairment of Loans -Expected Credit Loss (ECL) Ind AS 109: Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its Loans & Advances using the Expected Credit Losses ("ECL") approach. In the process, a significant degree of judgement has been applied by the management for calculation of Expected Credit Losses ("ECL")	Our audit procedures are as under: • Considered the Company's accounting policies for impairment of loans and receivables and assessed compliance with the policies in terms of Ind AS 109: Financial Instruments and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on March 13, 2020 ("the RBI Guidelines"). • Evaluation of the appropriateness of the impairment principles based on the requirements of Ind AS 109. • Assessing the design and implementation of key internal financial controls over loan impairment process used to calculate the impairment charge. • Testing of management review controls over measurement of impairment allowances and disclosures in financial statements. • Test of details over calculation of impairment allowance for assessing the completeness, accuracy and relevance of data. • We have checked the stage classification as at the balance sheet date as per definition of default of the company;

Information other than the 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 the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The other information as identified above is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the other information as identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's management and Board of Directors are 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India. 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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.

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

Auditor's Responsibility for the Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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 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 & Regulatory Requirement

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 Act, we give in the Annexure-A statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by the Non-Banking Finance Companies Auditors Report (Reserve Bank) Directions, 2016, we give in the **Annexure-B**, statement on the matters specified in the order, to the extent applicable.

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

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

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow 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 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure-C. Our report expresses an Unmodified Opinion on the adequacy and operating effectiveness of the company internal financial controls over financial reporting.
- g) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

- i. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 36 to the standalone financial statements.
- 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, 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, 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, no funds 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, 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 such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has neither declared nor paid any dividends during the year under audit.

Other Matters

The comparative financial information of the Company for the year ended 31 March 2021 and the transition date opening balance sheet as at 1 April 2020 included in these Standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006, whose audit report for the year ended 31 March 2021 and 31 March 2020 dated 29th June 2021 and 30th June 2020 respectively as audited by the previous auditor expressed an unmodified opinion on those Standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us. Our opinion is not modified in respect of above matter.

For KALANI & COMPANY
Chartered Accountants
FRN- 000722C

-sd-

[Gaurav Rawat]
Partner
M.No.-412724

Place of Signature: Jaipur
Dated: 26th May 2022

ANNEXURE A TO INDEPENDENT AUDITORS REPORT

Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirement' section of our audit report to the Members of Digamber Capfin Limited on the standalone financial statements for the year ended 31st March, 2022 we report that,

i. Based upon the audit procedures performed and the information & explanations given by the management, in respect of the Company's Property, Plant and Equipment and Intangible Assets:

- a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment,
- B. The company is maintaining proper records showing full particulars of intangible assets,
- b. The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets every year. Pursuant to the program, Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification,
- c. The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company,
- d. The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year, and
- e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder

ii. In respect of inventory:

- a. The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- b. The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets. Based upon the audit procedures performed and the information & explanations given by the management, the quarterly returns or statements filed by the company with such banks or financial institutions are not agreement with the books of account of the Company the same is disclosed by the company in Note 48

iii. In respect of any guarantee or security or loans or advances

- a. The Company is engaged in principal business of lending loans, hence reporting under clause (iii)(a) in not applicable.
- b. Based upon the audit procedures performed and the information & explanations given by the management; investments made, guarantees provided, security given and the terms and conditionsof the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- c. The company is a registered as non-deposit taking Systematically Important Non-Banking Financial Company under Section 45-IA of the Reserve Bank of India Act 1934 vide certificate number B-10.00099 in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated through various loan agreements entered with customers. Generally repayments or receipts are regular except irregularity in some cases. Details of loans which are irregular as at 31.03.2022 are as under:-

Irregularity	Number Of Accounts	Amount Involved	
		Irregular Dues	Total Dues
Stage -1	3,53,993.00	2,78,44,509.50	6,84,11,12,145.13
Stage -2	19,326.00	10,36,59,134.63	40,46,54,395.18
Stage -3	28,333.00	28,35,45,406.56	49,14,49,186.36
Total	4,01,652.00	41,50,49,050.68	7,73,72,15,726.67

d. The total amount overdue for more than ninety days is Rs. 4,914.49 lakhs, and based upon the information & explanations given by the management, reasonable steps have been taken by the company for recovery of the principal and interest.

e. The Company is engaged in principal business of lending loans, hence reporting under clause(iii)(e) in not applicable.

f. Based upon the audit procedures performed and the information & explanations given by the management, 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, to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of undisputed statutory dues,

a. Based upon the audit procedures performed and the information & explanations given by the management, the Company has been regular in depositing undisputed statutory dues, including Goods and Services 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 it with the appropriate authorities. 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 become payable.

b. There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes.

viii. Based upon the audit procedures performed and the information & explanations given by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. In respect of default in repayment of borrowings,

(a) Based upon the audit procedures performed and the information & explanations given by the management, the Company has defaulted in following repayment of loans or other borrowings or in the payment of interest thereon to any lender:

Nature of Borrowing	Name of lender	Amount not paid on due date	Whether Principal or Interest	Delay in days	Remarks
Term Loan from Bank	IDBI TERM LOAN	Rs. 28,973	Interest	10	The loan amount was received on 30th Oct, 2021 and repayment schedule as well as instructions regarding repayment was received on 03rd Nov, 2021. The interest amount for October month was Rs 1,18,973/- from this amount Rs 90,000/- deducted from the OD account on the due date and remaining amount of Rs. 28,973/- was paid on 10 Nov, 2021.

b. Based upon the information & explanations given by the management, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c. Based upon the audit procedures performed and the information & explanations given by the management, term loans were applied for the purpose for which the loans were obtained.

d. Based upon the audit procedures performed and the information & explanations given by the management, the Company has not utilized any fund raised on short-term basis for long term purposes during the year or in the immediate recent past.

e. According to the information & explanations given by the management, the Company do not have any subsidiaries, associates, joint Ventures and hence reporting under clause 3(ix)(e) of the Order is not applicable.

f. The Company do not have any subsidiaries, associates, joint Ventures and hence reporting under clause 3(ix)(f) of the Order is not applicable.

x. In respect of issue of securities (including Debt securities),

a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b. During the year, the Company has not made any right issue to existing shareholders of equity shares, hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. In respect of fraud,

a. No fraud by the Company has been noticed or reported during the year however fraud on the company amounting to Rs. 5.05 lakhs on account of Robbery and Staff Fraud has been noticed or reported during the year.

b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c. As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. In respect of Internal audit system,

- a. The company has an internal audit system commensurate with the size and nature of its business
- b. Reports of Internal Auditors are duly received and considered by us during the year under review.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company, hence reporting under clause 3(xv) of the Order is not applicable.

xvi. In respect of RBI regulation,

a. The company is required to be registered with RBI. The company is a registered as non-deposit taking Systematically Important Non-Banking Financial Company under Section 45-IA of the Reserve Bank of India Act 1934 vide certificate number B-10.00099,

b. The company is a registered NBFC, with a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934, hence reporting under the clause 3(xvi)(b) of the Order is not applicable

c. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year, hence reporting under clause(xvii) is not applicable.

xviii. There is no resignation of statutory auditor during the year under review, hence reporting under clause (xviii) of this order is not applicable.

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 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. In respect of Corporate Social Responsibility,

a. The company has not any shortfall for reason other than for on-going project, Hence, there is no unspent amount and/or provision which required to be transferred to a fund specified in Schedule VII within a period of six months of the expiry of the financial year,

b. The company has nil unspent amount for Financial Year 2020-21, However the company has made provision for unspent amount which relates to ongoing project for Rs. nil for Financial Year 2021-22.

xxi. The company is not required to prepare consolidated financial statements, hence reporting under clause (xxi) is not applicable.

For KALANI & COMPANY
Chartered Accountants
FRN- 000722C

-Sd-

[Gaurav Rawat]
Partner
M.No.-412724

Place of Signature: Jaipur
Dated: 26th May 2022

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

For the Year Ended on 31st March 2022

(Referred to in Para 2 'Report on other Legal and Regulatory Requirements' in our report of even date)

- i. That the company is entitled to continue to hold such COR in terms of its assets/income pattern as on March 31, 2022.
- ii. That Company meets the requirement of a net owned fund as laid down in Master Direction - Non- Banking Financial Company, Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and amendments thereafter, where applicable.
- iii. The Board of Directors of the Company has passed a resolution for non -acceptance of any public deposits.
- iv. The company has not accepted any deposits from public during the financial year 2021-22.
- v. The Company has complied with the prudential norms relating to the income recognition, accounting standards, assets classifications and provision for bad and doubtful debts as applicable to it in terms of Non- Banking Financial Company –Systemically Important Non -Deposit taking Company (Reserve Bank) Directions, 2016 subject to applicable and amendments thereafter.
- vi. The capital adequacy ratio as disclosed in the return submitted to the Bank (form DNBS03) in terms of the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 has been correctly determined and such ratio is in compliance with the minimum CRAR prescribed therein
- vii. The company has furnished to the bank the annual/quarterly statement of capital funds, risk assets/exposure and risk asset ratio (Form DNBS03) within the stipulated period.
- viii. The Company is correctly classified under Non-Banking Financial Company as NBFC-Micro Finance Institutions (MFIs) as defined in the Non-Banking Financial Company –Systemically Important Non -Deposit taking Company (Reserve Bank) Directions, 2016 with reference to the business carried on by it during the financial year i.e. 2021-22.

For KALANI & COMPANY
Chartered Accountants
FRN- 000722C

-sd-
[Gaurav Rawat]
Partner
M.No.-412724

Place of Signature: Jaipur
Dated: 26-05-2022

ANNEXURE C OF THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 3(f) under 'Report on other Legal & Regulatory Requirements' Section of our Report for the year ended 31 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 with reference to financial statements of **Digamber Capfin Limited** ("the Company"), as of 31 March 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 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 ICAI 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. 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 with reference to financial statements 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 with reference to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS financial statements includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

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

For KALANI & COMPANY

Chartered Accountants

FRN- 000722C

-sd-

[Gaurav Rawat]

Partner

M.No.-412724

Place of Signature: Jaipur

Dated: 26th May 2022



FINANCIAL STATEMENT

2021-2022

Digamber Capfin Limited Standalone Balance Sheet				
				(₹ in lakhs)
Particulars	Note No.	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
I. ASSETS				
(1) Financial Assets				
(a) Cash and cash Equivalents	2	7,368.35	3,601.55	2,282.74
(b) Bank balance other than Cash and cash equivalents	3	2,316.42	2,334.61	1,643.86
(c) Receivables				
(I) Trade Receivables		-	-	-
(II) Other Receivables		-	-	-
(d) Loans	4	75,056.03	56,333.28	57,388.63
(e) Investments	5	559.91	5,515.89	100.00
(f) Other Financial Asset	6	8,044.33	7,205.37	7,313.40
Total Financial Assets		93,345.03	74,990.70	68,728.64
(2) Non-financial Assets				
(a) Current tax assets (Net)	36	-	-	82.59
(b) Property, Plant and Equipment	8	3,429.74	3,331.12	953.01
(c) Capital work-in-progress	9	25.96	-	-
(d) Intangible assets under development	10	-	-	15.00
(e) Other Intangible Assets	11	9.30	12.15	-
(f) Other non-financial assets	12	115.94	114.10	1,490.20
Total Non-financial Assets		3,580.94	3,457.37	2,540.80
Total Assets		96,925.97	78,448.07	71,269.44
II. LIABILITIES AND EQUITY				
Liabilities				
(1) Financial Liabilities				
(a) Payables	13			
(I) Trade Payables				
i) total outstanding dues of micro enterprises and small enterprises	I	6.79	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	I	3.51	-	-
(II) Other Payables				
i) total outstanding dues of micro enterprises and small enterprises	II	-		
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	II	43.34		
(b) Debt Securities	14	2,545.50	5,180.99	-
(c) Borrowings (Other than Debt Securities)	15	70,351.38	49,747.99	47,708.72
(d) Subordinated Liabilities	16	1,507.82	1,520.21	1,520.21
(e) Other Financial Liabilities	17	2,088.75	5,171.57	11,058.09
Total Financial Liabilities		76,547.09	61,620.76	60,287.03
(2) Non- Financial Liabilities				
(a) Current tax liabilities (Net)	36	32.04	299.46	-
(b) Provisions	18	95.63	4.55	8.94
(c) Deferred tax liabilities (Net)	9	453.87	1,023.91	515.21
(d) Other non-financial liabilities	19	125.29	31.23	86.39
Total Non- Financial Liabilities		706.82	1,359.15	610.53
Total Liabilities		77,253.92	62,979.91	60,897.56
(3) EQUITY				
(a) Equity Share capital	20	987.69	987.69	987.69
(b) Other Equity	21	18,684.36	14,480.47	9,384.19
Total Equity		19,672.05	15,468.16	10,371.88
Total Equity and Liabilities		96,925.97	78,448.07	71,269.44

Significant Accounting Policies	1
The notes forming integral part of the financial statements	2-91

In terms of our report of even date

For and on behalf of the board

For KALANI & CO.
Chartered Accountants
 (Firm Reg. no. 000722C)

-sd-
Rajiv Jain
Chairman and Managing Director
 (DIN - 00416121)

-sd-
Neha Agarwal
 Company Secretary
 (PAN - ARAPA6810B)

-sd-
Gaurav Rawat
 Partner
 M.No. 412724

-sd-
Amit Jain
Whole Time Director & Chief Financial Officer
 DIN:00416133

-sd-
Lalit Kumar Jain
 Independent Director
 (DIN- 07517615)

Date: 26th May 2022
Place: Jaipur
UDIN: 22412724AJQRQD9859

Digamber Capfin Limited
Statement of Standalone Profit and Loss Account
For the period ended 31st March 2022

				(₹ in lakhs)
Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021	
Revenue from Operations:				
(i) Interest Income	22	16,917.52	17,565.22	
(ii) Net gain on fair value changes	23	44.02	0.66	
(iii) Net gain on derecognition of financial instruments under amortized cost category	-	4,082.42	1,987.64	
I Total Revenue from operations		21,043.96	19,553.51	
II Other Income	24	583.89	402.02	
III Total Income (I+II)		21,627.84	19,955.53	
Expenses:				
(i) Finance Costs	25	6,755.80	6,362.16	
(ii) Employee Benefits Expense	26	5,209.82	3,474.92	
(iii) Impairment on financial instruments	27	3,858.16	2,162.09	
(iv) Depreciation, Amortization and Impairment	28	90.85	79.54	
(v) Other Expenses	29	1,058.59	1,248.24	
IV Total Expenses (IV)		16,973.22	13,326.95	
V Profit / (Loss) before Exceptional Items & Tax		4,654.62	6,628.58	
VI Exceptional Items		-	-	
VII Profit / (Loss) Before Tax (V-VI)		4,654.62	6,628.58	
VIII Tax Expense:				
(1) Current Tax	30	1,015.09	1,022.46	
(2) Deferred Tax		(568.61)	508.98	
IX Profit / (Loss) for the period		4,208.14	5,097.14	
X Other Comprehensive Income				
(A) Items that will not be reclassified to profit or loss				
- Remeasurement Gains/(Losses) on Defined Benefit Plans		(5.68)	(1.13)	
- Income tax on above		1.43	0.29	
Subtotal (A)		(4.25)	(0.85)	
(B) Items that will be reclassified to profit or loss				
- Income tax on above				
Total Other Comprehensive Income for the period (A+B)		(4.25)	(0.85)	
XI Total Comprehensive Income for the period		4,203.89	5,096.29	
XIII Earnings per Equity Share (for Continued Operation):				
Basic (in ₹)	31	42.61	51.61	
Diluted (in ₹)		42.61	51.61	

Significant Accounting Policies
The notes forming integral part of the financial statements

1
2-91

In terms of our report of even date

For and on behalf of the board

For KALANI & CO.
Chartered Accountants
(Firm Reg. no. 000722C)

-sd-
Rajiv Jain
Chairman and Managing Director
(DIN - 00416121)

-sd-
Neha Agarwal
Company Secretary
(PAN - ARAPA6810B)

-sd-
Gaurav Rawat
Partner
M.No. 412724

-sd-
Amit Jain
Whole Time Director & Chief Financial Officer
DIN:00416133

-sd-
Lalit Kumar Jain
Independent Director
(DIN- 07517615)

Date: 26th May 2022
Place: Jaipur
UDIN: 22412724AJQRQD9859

Digamber Capfin Limited Standalone Statement of Cashflows For the period ended 31st March, 2022				
				(₹ in lakhs)
Particulars	Period ended 31st March 2022	Year ended 31st March 2021		
A Cash flow from operating activities:				
Net profit before tax as per statement of profit and loss	4,654.62			6,628.58
Adjustment to reconcile profit before tax to net cash flow:				
Remeasurement Gains/(Losses) on Defined Benefit Plans	(5.68)	(1.13)		
Depreciation & Amortisation	90.85	79.54		
(Reversal)/Provision for Expected Credit Loss (ECL)	1,299.14	882.33		
Interest on Fixed Deposit	(413.70)	(388.98)		
Fixed assets written-off	-	2.68		
Fair Value change of Investments	(44.02)	(0.66)		
Profit/Loss on sale of assets	-	-		
Finance Cost	6,755.80	6,444.16		
	7,682.39			7,017.93
Operating profit before working capital changes	12,337.01			13,646.51
Adjustment for				
(Increase)/decrease in loans	(20,021.88)	173.01		
(Increase)/decrease in other financial assets	(838.96)	108.08		
(Increase)/decrease in non financial assets	(1.84)	1,072.69		
Increase/(decrease) in trade and other payables	53.65			
Increase/(decrease) in other financial liabilities	(155.23)	(5,632.84)		
Increase/(decrease) in other non financial liabilities	94.05	(55.15)		
Increase/(decrease) in provisions	91.08			
Total of changes in working capital		(20,779.13)		(4,334.21)
Income Tax Paid		(1,282.52)		(640.41)
Net Cash from Operating Activity (A)		(9,724.63)		8,671.89
B. Cash Flow from Investing Activity				
(Purchase)/Sale of property, plant and equipment and intangible assets (including in progress assets)	(212.58)	(2,457.48)		
(Purchase)/Sale of Mutual Fund	5,000.00	(5,415.23)		
Interest on Fixed Deposit	413.70	388.98	(7,483.73)	
Net Cash Flow from Investing Activity(B)		5,201.12		(7,483.73)
C. Cash Flow from Financing Activity				
Finance Cost		(6,755.80)		(6,444.16)
Proceeds from / (Repayment of) Borrowings	20,592.05	2,021.46		
Proceeds from / (Repayment of) debt securities	(2,500.00)	5,000.00		
Proceeds from / (Repayment of) Subordinated Liabilities	(20.03)	(20.21)		
Proceeds from / (Repayment of) Securitisation/ Direct assignment	(3,044.10)	15,027.91	264.30	7,265.56
Net cash used in Financing Activity (C)		8,272.12		821.39
Net increase in cash and cash equivalents(A+B+C)		3,748.60		2,009.56
Cash and cash equivalents at the beginning of the period		5,936.16		3,926.60
Cash and cash equivalents at the close of the period		9,684.76		5,936.16
Cash and Cash Equivalent includes:-				
Particulars	As at 31st March 2022	As at 31st March 2021		
Cash on hand	7,368.35	3,601.55		
Balance in current account	2,316.42	2,334.61		
Total	9,684.76	5,936.16		

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Also refer note 34 "Disclosure as per Ind AS 7 - Cashflow Statements" for Cash and non cash changes in Liabilities arising from financing activity

In terms of our report of even date

For KALANI & CO.
Chartered Accountants
(Firm Reg. no. 000722C)

-sd-
Rajiv Jain
Chairman and Managing Director
(DIN - 00416121)

For and on behalf of the board
-sd-
Neha Agarwal
Company Secretary
(PAN - ARAPA6810B)

-sd-
Gaurav Rawat
Partner
M.No. 412724

-sd-
Amit Jain
Whole Time Director & Chief Financial Officer
DIN:00416133

-sd-
Lalit Kumar Jain
Independent Director
(DIN- 07517615)

Date: 26th May 2022

Place: Jaipur

UDIN: 22412724AJQRQD9859

Digamber Capfin Limited Standalone Statement Of Changes In Equity For the period ended 31st March, 2022							
A. Equity Share Capital							
As at 31st March 2022							(₹ in lakhs)
Balance as at 01st April 2021						Balance as at 31st March 2022	
	987.69	-	987.69	-	-		987.69
As at 31st March 2021							(₹ in lakhs)
Balance as at 01st April 2020						Balance as at 31st March 2021	
	987.69	-	987.69	-	-		987.69
B. Other Equity							
Year ended 31st March 2022							(₹ in lakhs)
Reserves and Surplus							
Particulars	Capital Redemption Reserve	Debenture Redemption Reserve	Securities Premium	Impairment Reserve	Retained Earnings	Statutory reserves as per Section 45-IC of the RBI Act, 1934	Total
Balance at the beginning of 01st April, 2021	150.00	-	2,029.73	567.66	10,070.15	1,662.93	14,480.47
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance As at 1st April, 2021	150.00	-	2,029.73	567.66	10,070.15	1,662.93	14,480.47
Profit for the year	-	-	-	-	4,208.14	-	4,208.14
Other Comprehensive Income on account of Gratuity (expense)(net of tax)	-	-	-	-	(4.25)	-	(4.25)
Total Comprehensive Income for the Year	150.00	-	2,029.73	567.66	14,274.04	1,662.93	18,684.36
Additions during the year	150.00	250.00	-	-	-	930.92	1,330.92
Premium on issue of shares	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve	-	-	-	-	(150.00)	-	(150.00)
Transfer to Statutory reserves as per Section 45-IC of the RBI Act, 1934	-	-	-	-	(930.92)	-	(930.92)
Transfer to Debenture Redemption Reserve	-	-	-	-	(250.00)	-	(250.00)
Dividend Paid (including Dividend tax)	-	-	-	-	-	-	-
Balance as at 31st March, 2022	300.00	250.00	2,029.73	567.66	12,943.11	2,593.85	18,684.36

Year ended 31st March 2021								(₹ in lakhs)
Particulars	Reserves and Surplus						Total	
	Capital Redemption Reserve	Debenture Redemption Reserve	Securities Premium	Impairment Reserve	Retained Earnings	Statutory reserves as per Section 45-1C of the RBI Act, 1934		
Balance at the beginning of 01st April, 2021	-	-	2,029.73	567.66	5,711.86	1,074.93	9,384.19	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	
Balance As at 1st April, 2020	-	-	2,029.73	567.66	5,711.86	1,074.93	9,384.19	
Profit for the year	-	-	-	-	5,097.14	-	5,097.14	
Other Comprehensive Income on account of Gratuity (expense)(net of	-	-	-	-	(0.85)	-	(0.85)	
Total Comprehensive Income for	-	-	2,029.73	567.66	10,808.15	1,074.93	14,480.47	
Additions during the year	150.00	-	-	-	-	588.00	738.00	
Premium on issue of shares	-	-	-	-	-	-	-	
Transfer to Capital Redemption Reserve	-	-	-	-	(150.00)	-	(150.00)	
Transfer to Statutory reserves as per Section 45-1C of the RBI Act, 1934	-	-	-	-	(588.00)	-	(588.00)	
Dividend Paid (including Dividend tax)	-	-	-	-	-	-	-	
Balance as at 31st March, 2021	150.00	-	2,029.73	567.66	10,070.15	1,662.93	14,480.47	

In terms of our report of even date

For and on behalf of the board

For KALANI & CO.
Chartered Accountants
(Firm Reg. no. 000722C)

-sd-
Rajiv Jain
Chairman and Managing Director
(DIN - 00416121)

-sd-
Neha Agarwal
Company Secretary
(PAN - ARAPA6810B)

-sd-
Gaurav Rawat
Partner
M.No. 412724

Date: 26th May 2022
Place: Jaipur
UDIN: 22412724AJQRQD9859

-sd-
Amit Jain
Whole Time Director & Chief Financial Officer
DIN:00416133

-sd-
Lalit Kumar Jain
Independent Director
(DIN- 07517615)

DIGAMBER CAPFIN LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2022

Note 1: Company Overview and Significant Accounting Policies

A. Company Overview

Digamber Capfin Ltd (DCL) started operations as an NBFC in 1995 with the mission of providing a range of financial services to the population who are not adequately served by financial institutions.

Today, DCL offers a diverse range of loan products to cater to the specific requirements of our customers. Our products can be classified into four categories, viz; Microfinance, Trade Finance, Agriculture and Animal Husbandry Finance. MFI loans follow the Grameen model of lending which is a Joint-Liability Group (JLG) lending model mainly focuses on a woman through a credit product that allows her to start a new business or enhance her existing business as well. DCL provides prompt, convenient and affordable collateral-free credit to people at the bottom of the pyramid through a strong credit assessment and centralised approval, depending on the end use, these broad categories of products can be further sub-divided into agricultural, education, home improvement, and livestock loans. Trader finance is secured and unsecured higher ticket size loan products which are available for both existing and open market customers.

DCL has adopted an integrated approach to lending which combines a high customer touch-point typical of microfinance, with the technology infrastructure and related back-end support functions similar to that of a retail bank. This integrated approach has enabled it to manage increasing business volumes and optimise overall efficiencies.

B. Basis of Preparation and Presentation

1. Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of Companies Act, 2013 (the act) along with other relevant provisions of the Act and the Master Direction - Non-Banking-Financial Company Non-Systemically Important Non-Deposit taking Company (Reserve bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis.

The company uses accrual basis of accounting except in case of significant uncertainties. For all periods up to and including the period ended March 31, 2021, the company had prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the Master Directions - Non-Banking Financial Company Non-Systemically Important Non-Deposit taking Company (hereinafter referred as 'previous GAAP'). These financial statements for the period ended March 31, 2022 are the first the Company has prepared in accordance with Ind AS. The Company has applied Ind AS101 First-time adoption of Indian Accounting Standards, for transition from previous GAAP to Ind AS. An explanation of how transition of Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note no. 32.

The regulatory disclosures as required by the NBFC Master Directions to be included as a part of the Notes to Accounts are also prepared as per the Ind AS Financial Statements.

2. Basis of Measurement:

The financial statements have been prepared on a going concern and under the historical cost basis, except for the derivatives financial instruments and following assets and liabilities:

Certain financial assets and liabilities measured at Fair value/Amortised cost (refer accounting policy regarding financial instruments)

Non-Current Assets held for sale measured at the lower of its carrying amount and fair value less costs to sell; and Employee's Defined Benefit Plan obligations as per actuarial valuation. The methods used to measure fair values are discussed further in notes to financial statements An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note no. 33.

3. Functional and presentation currency :

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency and the currency of the primary economic environment in which the Company operates. All financial information presented in INR has been rounded off to the nearest Lakhs (upto two decimals) as per the requirements of Schedule III, unless otherwise stated.

4. Use of Estimates and Judgements :

The preparation of financial statements with Ind AS require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

C. Significant Accounting Policies

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

1. Property Plant & Equipment**1.1 Initial recognition and measurement**

An item of property, plant and equipment is recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

When parts of an item of property, plant and equipment have different useful lives, they are recognised separately.

"Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and Expenses, incidental to the operations, not necessary in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in statement of profit and loss."

1.2 Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

1.3 Derecognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains or losses on Derecognition of an item of Property, Plant and Equipment are determined by comparing net disposable proceeds with the carrying amount of Property, Plant and Equipment and are recognized in the statement of profit and loss.

1.4 Depreciation/Amortization

Depreciation for all property, plant and equipment is being provided on Written Down Value Method as per the estimates of useful life specified in Schedule II of the Companies Act, 2013. The Company has estimated 5% residual value for all block of asset at the end of useful life. The management believes that useful life are realistic and reflect fair approximation of the period over which asset likely to be used.

Depreciation on additions to property, plant and equipment is provided on a pro-rata basis from the date of acquisition, or installation, or construction, when the asset is ready for intended use.

Improvements of the lease hold premises are charged off over the primary period of lease. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation on an item of property, plant and equipment sold, discarded, demolished or scrapped, is provided upto the date on which the said asset is sold, discarded, demolished or scrapped.

In respect of an asset for which impairment loss, if any, is recognised, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2. Intangible assets and intangible assets under development :

2.1 Initial recognition and measurement

An intangible asset is recognised if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discounts and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs and any other cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

2.2 Subsequent Measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

2.3 Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

2.4 Amortization

Intangible assets having definite life are amortized on straight line method over their useful lives. If life of any intangible asset is indefinite then it is not amortized and tested for impairment at each reporting date. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

3. Revenue Recognition

3.1 Interest Income

"Interest income, for all financial instruments measured either at amortised cost or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR).

The EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter year, where appropriate, to the gross carrying amount of the financial asset. The calculation of the effective interest rate takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes transaction costs and fees that are an integral part of the contract but not future credit losses. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

"If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded 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.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets, other than credit-impaired assets under stage 3. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3,' the Company recognises interest income on the net carrying amount (i.e., Gross carrying amount net of loss allowance)

Income from direct assignment transactions represents the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the assets derecognised) and the consideration received (including any new asset obtained and any new liability assumed).

3.2 Income from Direct Assignment transactions

Gain arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment has been entered into with the assignee, also known as the right of Excess Interest Spread (EIS). The future EIS basis the scheduled cash flows, on the execution of the transaction, discounted at the applicable rate that is the interest rate on loan portfolio with respect to the particular quarter dealt with.

3.3 Fees and Comission Income

Revenue (other than those to which Ind AS 109 applies) is measured at the fair value of consideration received or receivable. Income from other financial charges including late payment interest are recognized on accrual basis, except in case of File Cancellation Charges, Collection Charges, Pre-Closure Charges which are accounted as and when received.

4. Non-current assets (or disposal groups) classified as held for sale:

Assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell.

An Asset is classified as "Asset held for sale" when the asset is available for immediate sale and its sale is highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for sale". Once classified as held for sale, intangible assets and PPE are no longer amortized or depreciated.

5. Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets other than deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

6. Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. The Company considers a period of twelve months or more as a substantial period of time. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 - 'Financial Instruments' (b) finance charges in respect of leases recognized in accordance with Ind AS 116 - 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

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

7. Government Grants and Subsidies:

Grants and subsidies from the Government are recognised when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions will be complied with.

Where the government grants / subsidies relate to income, they are recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant or subsidy relates to an asset, it is recognised as income on a systematic basis over the useful life of the related assets.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan is recognised and recorded in accordance with Ind AS 109 - 'Financial Instruments'. The benefit of the below market rate of interest is measured as the difference between the initial carrying value of loan determined in accordance with IND AS 109 and the proceeds received.

8. Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expenses relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

Contingent Liabilities

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent liabilities are reviewed at each balance sheet date.

Contingent Assets

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

9. Leases:

9.1 The Company as lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (a) The contract involves the use of an identified asset
- (b) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (c) The Company has the right to direct the use of the asset.

i) Measurement and recognition

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The Company depreciates the right-of-use assets on a straight-line basis from the lease 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. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has given disclosure related to leases in note no 38

9.2 The Company as a lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease payments from operating leases are recognized as income on either a straight-line basis or another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

10. Segment Reporting: Identification of Segments:

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

11. Employee benefits :

11.1 Short Term Benefits

Short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

11.2 Post-Employment benefits

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two types:

(i) Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(ii) Defined benefit plans :

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's Gratuity Scheme is considered as a Defined benefit plan.

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is determined annually on the basis of Actuarial Valuation using the projected unit credit method. The company does not have any fund for payment of gratuity.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and Net interest expense or income.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

12. Income Taxes

Income tax expense comprises current tax and deferred tax.

12.1. Current Income Tax

"Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws

used to compute the amount are those that are enacted or substantively enacted and as applicable at the reporting date and any adjustment to tax payable in respect of previous years. Current tax expense is recognized in the profit or loss except to the extent that it relates to items recognized directly in Other Comprehensive Income (OCI) or Equity, in which case it is recognized in OCI or Equity. "

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

12.2. Deferred Tax

Deferred tax is recognised on all temporary differences at the reporting date between the tax bases of assets and liabilities used in the computation of taxable profit and their carrying amounts for financial reporting purposes, and are accounted for using the balance sheet approach.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

"Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or Equity, in which case it is recognized in OCI or Equity.

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

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

Minimum Alternate Tax (MAT)

Deferred tax assets include MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability and is considered as an asset if it is probable that future taxable profit will be available against which these tax credits can be utilized. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when it is highly probable that future economic benefit associated with it will flow to the Company. MAT credit is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

13. Share Based Payment

"Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting year, based on the Company's estimate of equity instruments that will eventually vest,

with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payment Reserve."

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

13. Material prior period errors :

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

14. Earnings per Share :

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

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

15. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial Recognition and Measurement

"Financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

If the transaction price differs from fair value at initial recognition, the Corporation will account for such difference as follows:

- If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in the statement of profit and loss on initial recognition;
- In all other cases, the fair value will be adjusted to bring it in line with the transaction price. After initial recognition, the deferred gain or loss will be recognised in the statement of profit and loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability."

The Company recognises a financial asset and Financial Liabilities when it becomes party to the contractual provisions of the instrument. Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed.

The Company's financial assets include trade receivables, cash and cash equivalents, other bank balances, fixed deposits with banks, loans and advances, other financial assets and investments.

The Company's financial liabilities include loans and borrowings including bank overdrafts and trade & other payables.

16.1. Financial assets

(i) Subsequent measurement of financial assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income ("FVOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

- (i) The entity's business model for managing the financial assets and
- (ii) The contractual cash flow characteristics of the financial asset.

Financial Assets at Amortised Cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- (a) It is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

Financial Assets at fair value through other comprehensive income (FVTOCI)

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

For equity instruments not held for trading, the Company has an irrevocable option to designate them as FVTOCI. The Company has not designated investments in any equity instruments as FVTOCI.

Financial Assets at fair value through the statement of profit and loss (FVTPL)

Any financial asset which is not classified in any of the above categories is subsequently measured at FVTPL.

For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

(ii) Modification of financial assets

"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 the initial recognition and maturity of the financial asset. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the entity recalculate the gross carrying amount of the financial asset and recognise a modification gain or loss in profit or loss. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset."

(iii) Derecognition of financial assets

"A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition. The Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in ratio as agreed without material delay to a third party under a 'direct assignment' arrangement."

"Direct Assignment arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows in agreed ratio to one or more entities ('eventual recipients'), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay in the agreed ratio."

"A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer."

On derecognition of a financial asset in its entirety, the difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised is recognised in the statement of profit and loss.

(iv) Impairment of financial assets

"a) Subsequent to initial recognition, the Company recognises expected credit loss (ECL) on financial assets measured at amortised cost as required under Ind AS 109 'Financial Instruments'. ECL on such financial assets, other than loans assets, is measured at an amount equal to life time expected losses.

The Company presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Statement of Profit and Loss as "Impairment on financial instruments".

The impairment requirements for the recognition and measurement of ECL are equally applied to loan asset at FVTOCI except that ECL is recognised in Other Comprehensive Income and is not reduced from the carrying amount in the Balance Sheet."

b) Impairment of Loan Assets:

The Company measures ECL on loan assets at an amount equal to the lifetime ECL if there is credit impairment or there has been significant increase in credit risk (SICR) since initial recognition.

If there is no SICR as compared to initial recognition, the Company measures ECL at an amount equal to 12-month ECL. When making the assessment of whether there has been a SICR since initial recognition, the Company considers reasonable and supportable information, that is available without undue cost or effort. If the Company measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in credit quality, the Company again measures the loss allowance based on 12-month ECL.

ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups."

c) The impairment losses and reversals are recognised in Statement of Profit and Loss.**Staging of Loans**

"The Company recognises impairment loss allowance using the expected credit loss (ECL) model for the financial assets which are not categorised at fair value through profit or loss. Ind-AS 109 outlines a three staged model for measurement of impairment based on changes in credit risk since initial recognition. For classification of its borrowers into various stages, the Company uses the following basis:

- A financial instrument that is not credit impaired on initial recognition is classified in 'Stage I'.
- If a significant increase in credit risk (SICR) is identified, the financial instrument is moved to 'Stage II'."

"An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial instrument. In accordance with Ind AS 109, the Company has applied rebuttable presumption that considers more than 30 days past due as a parameter for determining significant increase in credit risk. Additionally, the Company also considers any other observable input indicating a significant increase in credit risk.

- If the financial instrument is credit-impaired, the financial instrument is moved to 'Stage III' category."

Definition of Default

In accordance with Ind AS 109, the Company considers the rebuttable presumption to define a financial instrument as in default, i.e. when the loan account is more than 90 days past due on its contractual payments. Credit impaired financial assets are aligned with the definition of default.

Measurement of Expected Credit Loss (ECL)

ECL is measured on either a 12 month or lifetime basis depending on whether there is significant increase in credit risk since initial recognition. ECL is the product of Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The Company has its own board approved policy, during the financial year for assessment of ECL in accordance with Ind AS 109. The brief methodology of computation of ECL is as follows:

(a) Probability of default (PD)

"PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. For assessing 12 month PD, probability of a loan defaulting in next 12 months is ascertained and similarly for assessing lifetime PD, probability of a loan defaulting in its remaining lifetime is ascertained.

For Stage I accounts, 0.10% and 0.25% PD is used.

For Stage II significantly increased credit risk accounts, 0.50% and 5.00% PD is used.

For Stage III credit impaired accounts, 50% and 75% PD is taken."

(b) Loss Given Default (LGD)

"LGD is the loss factor which the Company may experience in case the default occurs.

Stage-wise average LGD had been applied in case of loans given.

For Stage III loans, LGD has been assessed based on discounted projected cash flow analysis for operational projects."

(c) Exposure at Default (EAD)

It is outstanding exposure on which ECL is computed. EAD includes principal outstanding and accrued interest in respect of the loan.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or Life Time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, Consumer Price Index, Unemployment rates, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably

Write-offs

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference recorded as an expense in the period of write off. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

16.3 Financial liabilities**(i) Initial recognition and measurement**

The Company recognises a financial liability in its balance sheet when it becomes party to the contractual provisions of the instrument. Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(ii) Subsequent measurement of financial liabilities:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost as appropriate.

(iii) Financial liabilities at Amortised Cost :

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent reporting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

(iv) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(v) Offsetting of financial instruments

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

16 . Fair value Measurement

The Company measures some of its financial instruments at fair value at each balance sheet date.

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 transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the assets or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the assets or liability.

"The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs."

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

I. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

II. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

III. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

"For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year."

17 . Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments and short term investments with original maturity of less than three months.

D. Significant estimates and assumptions

The preparation of company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying

disclosures, and the disclosures of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and action, actual results could differ from these estimates. These estimates are reviewed regularly and any change in estimates are adjusted prospectively.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognized in the financial statements:

i. Business Model Assessment

The Company determines its Business Model at the level that best reflects how it manages groups of financial assets to achieve its business objectives. The company considers the frequency, volume and timing of disbursements in prior years, the reason for such disbursement, and its expectations about future business activities. However, information about business activity is not considered in isolation, but as part of an holistic assessment of how company's stated objective for managing the financial assets is achieved and how cash flow are realized. Therefore the company considers information about past disbursement in the context of the reason for those disbursements, and the conditions the existed at that time as compared to current conditions. Based on this assessment and the future business plans of the company, the management has measured its financial assets at amortized cost as the asset is held within a business model whose objective is to collect contractual cash flows, and the contractual terms of the financial assets give rise to cash flows that are solely payments of principle and interest (the SPPI criterion).

ii. Property, Plant and Equipment & Intangible Assets

The determination of depreciation and amortization charge depends on the useful lives which is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Residual Value has been taken between 0-5%

Useful life of the all Property, Plant and Equipment and Intangible assets are in accordance with Schedule II of the Companies Act, 2013

iv. Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigation against the company as it is not possible to predict the outcome of pending matters with accuracy.

vi. Defined Benefit Plan

The cost of defined benefit plan and present value of such obligation are determined using actuarial valuation. 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, mortality rates and attrition rate. Due to the long-term nature of the plan, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date.

vii. Deferred Tax Assets

The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profit will be available against which deferred tax asset can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

viii. Impairment losses on financial assets

"The measurement of impairment losses across all categories of financial assets except assets valued at Fair value through P&L (FVTPL), requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

"The Company's Expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include:"

- The Company's model, which assigns Probability of default (PD)s.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Lifetime expected credit loss (LTECL) basis.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on PDs, Exposure at default (EAD)s and Loss given default (LGD)s."

ix Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

x Effective Interest rate method

The Company's EIR methodology, recognises interest income using a internal rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans and other characteristics of the product life cycle (including prepayments). This estimation, by nature, requires an element of judgment regarding the expected behavior and life-cycle of the instruments, as well other fee income/expense that are integral parts of the instruments.

xi Cash and cash equivalents

Cash and cash equivalent comprises cash in hand, demand deposits & time deposits and short term investments with original maturity of less than three month.

Digamber Capfin Limited			
Notes to financial statements for the period ended on 31st March 2022			
2. Cash & Cash Equivalents			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Cash on Hand	7.71	10.61	4.94
Current Accounts	3,476.02	3,378.89	2,224.97
Fixed Deposit	3,884.62	212.05	52.83
Total	7,368.35	3,601.55	2,282.74
3. Bank Balances other than Cash & Cash Equivalents			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 1st April 2020	
Fixed Deposit with Banks (Remaining maturity more than 3-12 Months)	2,316.42	2,334.61	1,643.86
Total	2,316.42	2,334.61	1,643.86
4. Loans			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
	Amortised Cost	Amortised Cost	Amortised Cost
(A)			
Term Loans	77,372.16	57,350.28	57,523.29
Total (A)	77,372.16	57,350.28	57,523.29
Less: Impairment loss allowance	(2,316.13)	(1,016.99)	(134.66)
Total Net (A)	75,056.03	56,333.28	57,388.63
(B)			
Secured	-	-	-
Unsecured	77,372.16	57,350.28	57,523.29
Total (B)	77,372.16	57,350.28	57,523.29
Less: Impairment loss allowance	(2,316.13)	(1,016.99)	(134.66)
Total Net (B)	75,056.03	56,333.28	57,388.63
(C)			
Loans in India			
(i) Loans to Individuals	77,372.16	57,350.28	57,523.29
Total (C)	77,372.16	57,350.28	57,523.29
Less: Impairment loss allowance	(2,316.13)	(1,016.99)	(134.66)
Total Net (C)	75,056.03	56,333.28	57,388.63
4.1 The company has given impairment assessment and measurement approach in note no. 1 (16.1)(IV) of the summary of significant accounting policies.			
5. Investments			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
	Fair value through Profit and Loss	Fair value through Profit and Loss	Fair value through Profit and Loss
Investment in Mutual Funds	559.91	5,515.89	100.00
Gross (A)	559.91	5,515.89	100.00
Overseas Investments	-	-	-
Investments in India	559.91	5,515.89	100.00
Gross (B)	559.91	5,515.89	100.00
Less: Allowance for Impairment loss (C)	-	-	-
Total Net D = (A)-(C)	559.91	5,515.89	100.00

Digamber Capfin Limited			
Notes to financial statements for the period ended on 31st March 2022			
6. Other Financial Asset			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Fixed Deposit with Banks (Remaining maturity more than 12 Months)	3,155.85	3,726.02	4,593.23
Excess Interest Spread in DA transaction	3,130.68	1,984.38	1,736.34
Receivable against Excess Interest Spread	856.65	774.28	254.65
Security Deposit*	7.56	0.36	0.36
Deferred Revenue	2.37	-	-
Interest accrued on DA/PTC transactions	138.37	122.96	96.44
Accrued Interest	752.84	597.30	623.81
Commission Receivable	0.02	0.07	-
Sundry Advances to Others	-	-	8.57
Total	8,044.33	7,205.37	7,313.40
* This includes security deposit against office building of Rs. 7.2 lakhs for the year 2021-22 (Rs. Nil for the year 2020-21 and 2019-20)			
7. Deferred Tax Assets / (Liability) (Net)			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Deferred Tax Assets, on account of			
Actuarial Gain on Gratuity	1.71	0.29	-
Provisions for ECL	400.49	127.38	-
Effective Interest Rate on Financial Assets	46.80	164.74	80.85
Total (A)	449.01	292.42	80.85
Deferred Tax Liabilities, on account of			
Fair Valuation of Mutual Funds	5.94	0.16	-
Effective Interest Rate on Financial Liability	44.09	98.82	65.96
Effective Interest Spread impact due to Direct Assignment	787.93	499.43	437.00
Accrued Interest	-	664.80	47.68
Depreciation and Amortisation	64.92	53.11	45.42
Total (B)	902.88	1,316.32	596.06
Net Deferred Tax Assets / (Liability) (A) - (B)	(453.87)	(1,023.91)	(515.21)

8. Property, Plant & Equipment							
As at 31st March 2022							
Particulars	Freehold Land	Office and Guest House	Computers & peripherals	Furniture & Fixtures	Vehicles	Office Equipment	Total
Gross Block							
As at 1st April 2021	2,477.21	665.31	230.72	157.47	75.19	77.79	3,683.69
Addition During the period	-	-	88.21	49.17	-	49.60	186.98
Deduction/Adjustments during the period	-	-	-	-	(7.28)	-	(7.28)
As at 31st March 2022	2,477.21	665.31	318.93	206.65	67.91	127.39	3,863.39
Accumulated Depreciation/Amortisation							
Up to 1st April 2021	-	46.36	176.36	50.32	31.23	48.29	352.57
For the period	-	11.01	44.14	16.18	7.55	9.13	88.00
Adjustments during the period	-	-	-	-	(6.92)	-	(6.92)
Total up to 31st March 2022	-	57.37	220.50	66.50	31.86	57.42	433.65
Net Block							
As at 31st March 2022	2,477.21	607.94	98.43	140.15	36.04	69.97	3,429.74
As at 1st April 2021	2,477.21	618.95	54.36	107.15	43.95	29.50	3,331.12
As at 31st March 2021							
Particulars	Freehold Land	Office and Guest House	Computers & peripherals	Furniture & Fixtures	Vehicles	Office Equipment	Total
Gross Block							
As at 1st April 2020	23.91	665.31	233.10	173.47	75.19	78.15	1,249.12
Addition During the period	2,453.30	-	0.74	1.36	-	2.08	2,457.48
Deduction/Adjustments during the period	-	-	3.11	17.36	-	2.44	22.91
As at 31st March 2021	2,477.21	665.31	230.72	157.47	75.19	77.79	3,683.69
Accumulated Depreciation/Amortisation							
Up to 1st April 2020	-	35.36	145.85	51.62	23.69	39.60	296.12
For the period	-	11.01	33.04	14.76	7.55	10.33	76.69
Adjustments during the period	-	-	2.53	16.05	-	1.65	20.24
Total up to 31st March 2021	-	46.36	176.36	50.32	31.23	48.29	352.57
Net Block							
As at 31st March 2021	2,477.21	618.95	54.36	107.15	43.95	29.50	3,331.12
As at 1st April 2020	23.91	629.96	87.25	121.85	51.50	38.54	953.01

9. Capital Work in Progress				
As at 31st March 2022		PARTICULARS		(₹ in lakhs)
		Total		
As at 1st April 2021				-
Addition During the period				25.96
Capitalisation during the period				-
As at 31st March 2022				25.96
As at 31st March 2021		PARTICULARS		(₹ in lakhs)
		Total		
As at 1st April 2020				-
Addition During the period				-
Capitalisation during the period				-
As at 31st March 2021				-
(b) CWIP aging schedule				(₹ in lakhs)
CWIP		Amount in CWIP for a period of		Total
		Less than 1 year	1-2 years	2-3 years
Projects in progress		25.96		
				25.96
10. Intangible Assets under Development				(₹ in lakhs)
As at 31st March 2022		PARTICULARS		Total
As at 1st April 2021		Software		-
Addition During the period				-
Capitalisation during the period				-
As at 31st March 2022				-
As at 31st March 2021		PARTICULARS		(₹ in lakhs)
		Total		
As at 1st April 2020		Software		15.00
Addition During the period				
Capitalisation during the period		15.00		15.00
As at 31st March 2021				-
(b) Intangible assets under development aging schedule				(₹ in lakhs)
CWIP		Amount of Intangible under development for a period of		Total
		Less than 1 year	1-2 years	2-3 years
Projects in progress		-	-	-
				-

11. Intangible Assets			
As at 31st March 2022			(₹ in lakhs)
Particulars	Software	Total	
Gross Block			
As at 1st April 2021	15.00	15.00	
Addition During the period	-	-	
Deduction/Adjustments during the period	-	-	
As at 31st March 2022	15.00	15.00	
Accumulated Depreciation/Amortisation			
Up to 1st April 2021	2.85	2.85	
For the period	2.85	2.85	
Adjustments during the period	-	-	
Total upto 31st March 2022	5.70	5.70	
Net Block			
As at 31st March 2022	9.30	9.30	
As at 01st April 2021	12.15	12.15	
As at 31st March 2021			(₹ in lakhs)
Particulars	Software	Total	
Gross Block			
As at 1st April 2020	-	-	
Addition During the period	15.00	15.00	
Deduction/Adjustments during the period	-	-	
As at 31st March 2021	15.00	15.00	
Accumulated Depreciation/Amortisation			
Up to 1st April 2020	-	-	
For the period	2.85	2.85	
Adjustments during the period	-	-	
Total up to 31st March 2021	2.85	2.85	
Net Block			
As at 31st March 2021	12.15	12.15	
As at 01st April 2020	-	-	
12. Other non-financial assets			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Prepaid Expenses	33.28	17.78	12.85
GST Receivable	11.72	15.52	-
Sundry advances and receivables	0.92	14.28	10.61
Advance for purchase of property	-	-	1,421.74
Gratuity Plan Asset	70.02	66.51	45.00
Total	115.94	114.10	1,490.20
13. (I) Trade Payables			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Payable to:			
Micro and Small Enterprises	6.79	-	-
Other than Micro and Small Enterprises	3.51	-	-
Total	10.31	-	-

(II) Other Payables				(₹ in lakhs)				
Particulars		As at 31st March 2022	As at 31st March 2021	As at 1st April 2020				
Payable to:								
Micro and Small Enterprises		-	-	-				
Other than Micro and Small Enterprises		43.34	-	-				
Total		43.34	-	-				
Trade Payables ageing schedule								
(i) As at 31st March 2022								
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total			
Payable to:								
Micro and Small Enterprises	6.79	-	-	-	6.79			
Other than Micro and Small Enterprises	46.85	-	-	-	46.85			
Total	53.65	-	-	-	53.65			
(ii) As at 31st March 2021								
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total			
Payable to:								
Micro and Small Enterprises	-	-	-	-	-			
Other than Micro and Small Enterprises	-	-	-	-	-			
Total	-	-	-	-	-			
(iii) As at 01st April 2020								
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total			
Payable to:								
Micro and Small Enterprises	-	-	-	-	-			
Other than Micro and Small Enterprises	-	-	-	-	-			
Total	-	-	-	-	-			
14. Debt Securities				(₹ in lakhs)				
Particulars		As at 31st March 2022	As at 31st March 2021	As at 1st April 2020				
		Amortised Cost	Amortised Cost	Amortised Cost				
Secured								
Non Convertible Debentures		2,545.50	5,180.99	-				
Total		2,545.50	5,180.99	-				
Debt securities in India		2,545.50	5,180.99	-				
Debt securities outside India		-	-	-				
Total		2,545.50	5,180.99	-				
Details Of Redeemable Non-Convertible Debentures				(₹ in lakhs)				
Particulars	Date of allotment	Date of redemption	Total number of debentures	Rate of Interest	Face value	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
SBI - These debentures are secured by way of a first ranking, exclusive and continuing charge on identified receivable at all time equal to 1.25 times or 125% of the aggregate amount of principle outstanding of the NCD. Also, these are secured by unconditional and irrevocable personal guarantee of Mr. Amit Jain and Mr. Rajiv Jain. These are redeemable at par through bullet payment.	29-Jul-20	21-Apr-23	250	11.50%	1000000	2,545.50	2,544.38	-

Particulars	Date of allotment	Date of redemption	Total number of debentures	Rate of Interest	Face value	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
PSB - These debentures are secured by way of a first ranking, exclusive and continuing charge on identified receivable at all time equal to 1.10 times or 110% of the aggregate amount of principle outstanding of the NCD. Also, these are secured by unconditional and irrevocable personal guarantee of Mr. Amit Jain and Mr. Rajiv Jain. These are redeemable at par through bullet payment.	14-Aug-20	14-Feb-22	100	10.90%	1000000	-	1,066.47	-
PNB and UCO - These debentures are secured by way of a first ranking, exclusive and continuing charge on identified receivable at all time equal to 1.10 times or 110% of the aggregate amount of principle outstanding of the NCD. These are redeemable at par through bullet payment.	30-Sep-20	30-Mar-22	150	10.60%	1000000	-	1,570.13	-
Total			500			2,545.50	5,180.99	-

15. Borrowings (Other than Debt Securities)**(₹ in lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
	Amortised Cost	Amortised Cost	Amortised Cost
Secured			
Term loans			
(i) From Banks	63,345.80	29,908.01	21,983.63
(ii) From Financial Institutions/NBFC	6,955.80	16,245.78	22,054.98
(iii) Vehicle Loans	32.30	41.19	48.86
Other loans			
Cash Credit from Banks	17.49	1.97	-
Cash Credit from PSU	-	3,401.05	3,321.25
Optionally Convertible Preference Share Capital - Financial Liability	-	150.00	300.00
Total	70,351.38	49,747.99	47,708.72
Borrowings in India	70,351.38	49,747.99	47,708.72
Borrowings outside India	-	-	-
Total	70,351.38	49,747.99	47,708.72

15.1 Nature of Security

Secured term loans from banks amounting to Rs. 63345.8 Lakhs carry rate of interest in range of 8% to 14%. The Loan having tenure of 2 To 5 Years from date of disbursement and are repayable in both monthly and quarterly installments. These loans are secured by hypothecation of loans given by the company and personal guarantee of directors, Mr. Rajiv Jain and Mr. Amit Jain. Secured term loans from financial institutions amounting to Rs. 6955.8 Lakhs carry rate of interest in range of 9.5% to 14%. The Loan having tenure of 2 To 4 Years from date of disbursement and are repayable in both monthly and quarterly installments. These loans are secured by hypothecation of loans given by the company and personal guarantee of directors, Mr. Rajiv Jain and Mr. Amit Jain.

Secured term loans for vehicles amounting to Rs. 32.3 Lakhs carry rate of interest in range of 7.5% to 8%. The Loan having tenure of 5 To 7 Years from date of disbursement and are repayable in both monthly and quarterly installments. BOB car loan is secured by hypothecation of loans given by the company and UCO bank car loan is secured by personal guarantee of directors, Mr. Rajiv Jain and Mr. Amit Jain.

15.2 Delay in Repayment**For 2021-22**

There is no delay in repayment of borrowings as at 31st March, 2022

For 2020-21

There is no delay in repayment of borrowings as at 31st March, 2021

For 2019-20

There is no delay in repayment of borrowings as at 31st March, 2020

16. Subordinated Liabilities			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
	Amortised Cost	Amortised Cost	Amortised Cost
Unsecured			
-From Other Banks	507.64	507.64	507.64
-From FIIs/ NBFCs	1,000.18	1,012.57	1,012.57
Total	1,507.82	1,520.21	1,520.21
Subordinated liabilities in India	1,507.82	1,520.21	1,520.21
Subordinated liabilities in outside India	-	-	-
Total	1,507.82	1,520.21	1,520.21

Term of Repayment Of Debentures, Subordinated Debts and Term Borrowings Outstanding
(A) As at 31st March, 2022

Type of instrument/ institution	Frequency of Repayment	Original maturity of loan	Interest Rate	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 4 years	Total
Debentures	Bullet	0-3 years	11.00% - 11.50%	45.50	2,500.00	-	-	-	2,545.50
Sub-debts	Bullet	0-3 years	16.00% - 18.00%	7.82	500.00	1,000.00	-	-	1,507.82
Term loans from bank	Monthly	0-3 years	8.00% - 8.50%	1,584.28	1,589.83	352.61	-	-	3,526.72
			8.50% - 9.00%	2,547.39	1,365.50	1,099.62	-	-	5,012.51
			9.00% - 9.50%	7,243.67	6,718.47	2,507.45	-	-	16,469.58
			9.50% - 10.00%	1,898.91	1,890.51	1,660.68	-	-	5,450.09
			10.00% - 10.50%	2,749.50	2,118.45	1,198.96	-	-	6,066.91
			10.50% - 11.00%	981.10	1,115.46	541.63	-	-	2,638.19
			11.00% - 11.50%	2,080.17	1,371.16	-	-	-	3,451.33
			11.50% - 12.00%	1,288.56	698.77	-	-	-	1,987.33
			12.50% - 13.00%	3,560.03	1,568.07	711.40	-	-	5,839.50
			13.50% - 14.00%	1,178.88	1,331.72	666.67	-	-	3,177.26
	Quarterly	Above 3 years	8.00% - 8.50%	316.74	230.50	231.62	174.27	-	953.14
			9.00% - 9.50%	653.71	656.92	661.14	276.81	-	2,248.58
			10.00% - 10.50%	491.15	494.21	497.66	41.62	-	1,524.65
Term loans from financial institutions	Monthly	0-3 years	9.50% - 10.00%	449.66	-	-	-	-	449.66
		0-3 years	13.50% - 14.00%	2,275.66	991.13	-	-	-	3,266.79
		Above 3	13.50% - 14.00%	634.30	625.08	625.08	520.58	-	2,405.04
	Quarterly	0-3 years	13.50% - 14.00%	834.32	-	-	-	-	834.32
Vehicle loans	Monthly	Above 3	7.50% - 8.00%	8.62	6.99	5.41	5.90	5.39	32.30

(B) As at 31st March, 2021

Type of instrument/ institution	Frequency of Repayment	Original maturity of loan	Interest Rate	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 4 years	Total
Debentures	Bullet	0-3 years	10.50% - 11.00%	2,636.60	-	-	-	-	2,636.60
Sub-debts	Bullet	0-3 years	11.00% - 11.50%	44.38	-	2,500.00	-	-	2,544.38
		Above 3	16.00% - 18.00%	7.64	-	500.00	-	-	507.64
Term loans from bank	Monthly	0-3 years	16.00% - 18.00%	12.57	-	-	1,000.00	-	1,012.57
			9.00% - 9.50%	402.86	66.56	-	-	-	469.43
			10.00% - 10.50%	187.60	187.50	46.88	-	-	421.98
			11.00% - 11.50%	3,144.39	2,114.60	1,454.49	-	-	6,713.48
			11.50% - 12.00%	1,580.27	1,288.85	770.19	-	-	3,639.32
			12.00% - 12.50%	490.20	332.25	-	-	-	822.45
			12.50% - 13.00%	2,761.69	1,126.83	631.70	-	-	4,520.22
			13.50% - 14.00%	1,494.67	283.64	-	-	-	1,778.31
			14.50% - 15.00%	105.91	-	-	-	-	105.91
	Above 3 years	Above 3 years	8.00% - 8.50%	354.05	326.46	211.06	231.62	213.39	1,336.59
			9.00% - 9.50%	453.07	807.66	820.68	346.32	-	2,427.73
			10.00% - 10.50%	1,398.60	1,472.68	1,482.88	1,243.92	-	5,598.09
			10.50% - 11.00%	610.96	614.91	620.02	228.61	-	2,074.50
Term loans from financial institutions	Monthly	0-3 years	6.50% - 7.00%	666.88	-	-	-	-	666.88
			7.00% - 7.50%	245.08	-	-	-	-	245.08
			10.00% - 10.50%	614.47	448.48	-	-	-	1,062.95
			13.00% - 13.50%	3,784.34	2,582.33	922.62	-	-	7,289.28
			13.50% - 14.00%	3,518.72	1,059.03	68.50	-	-	4,646.25
Vehicle loans	Monthly	0-3 years	13.50% - 14.00%	1,505.15	830.18	-	-	-	2,335.33
		Above 3	7.50% - 8.00%	8.17	8.94	6.87	5.41	11.80	41.19

(C) As at 1st April, 2020

Type of instrument/ institution	Frequency of Repayment	Original maturity of loan	Interest Rate	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 4 years	Total
Sub-debts	Bullet	Above 3 years	16.00% - 18.00%	20.21	-	-	500.00	1,000.00	1,520.21
Term loans from bank	Above 3 years	Above 3 years	10.00% - 10.50%	462.83	457.80	559.45	504.70	62.82	2,047.59
			10.50% - 11.00%	502.57	510.36	614.91	721.51	103.76	2,453.11
			11.50% - 12.00%	887.73	1,132.69	962.97	771.55	-	3,754.94
			12.50% - 13.00%	1,388.89	1,566.67	140.00	100.00	-	3,195.56
	0 - 3 years	0 - 3 years	10.50% - 11.00%	143.32	-	-	-	-	143.32
			11.00% - 11.50%	2,072.59	1,655.21	562.62	-	-	4,290.43
			11.50% - 12.00%	324.30	327.78	331.72	-	-	983.80
			12.00% - 12.50%	343.84	-	-	-	-	343.84
			12.50% - 13.00%	726.28	637.70	-	-	-	1,363.98
			13.50% - 14.00%	1,401.91	1,644.47	325.85	-	-	3,372.23
			14.50% - 15.00%	59.24	-	-	-	-	59.24
Term loans from financial institutions	Monthly	0 - 3 years	7.00% - 7.50%	432.00	246.99	-	-	-	678.99
			10.00% - 10.50%	459.65	613.04	449.27	-	-	1,521.96
			13.00% - 13.50%	2,666.26	2,668.39	1,495.79	-	-	6,830.44
			13.50% - 14.00%	4,114.30	3,692.79	1,365.29	-	-	9,172.38
	Quarterly	Above 3	13.50% - 14.00%	828.80	831.62	166.31	-	-	1,826.73
Vehicle loans	Monthly	Above 3	13.50% - 14.00%	488.93	659.48	566.67	284.98	-	2,000.06
				7.48	8.18	8.96	7.22	17.02	48.86

17. Other financial liabilities			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Payable towards securitisation/assignment transactions	1,980.17	5,024.28	10,888.20
Audit Fees Payable	8.10	4.06	4.78
Interest Payable on OCPS	-	24.97	27.00
Salary Payables	12.47	46.26	46.11
Director Remuneration Payable	88.00	72.00	92.00
Total	2,088.75	5,171.57	11,058.09

18. Provisions			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Provision for Expense	95.63	4.55	8.94
Total	95.63	4.55	8.94

Movement of provision

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for Expenses		
Opening provision	4.55	8.94
Paid during the year	(4.55)	(8.94)
Provision made during the year	95.63	4.55
Closing provision	95.63	4.55

19. Other non-financial liabilities			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
TDS Payable	80.35	1.32	50.31
Good & Service Tax Payable	-	-	2.90
ESI Payable	10.87	7.41	7.37
PF Payable	33.92	22.50	25.81
PT Payable	0.15	-	-
Total	125.29	31.23	86.39

20. Equity Share Capital			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Authorised			
15000000 Equity Shares of ₹ 10/- Each (as at 31st March 2021: 15000000 Equity Shares of ₹ 10/- Each; as at 01st April 2020: 15000000 Equity Shares of ₹ 10/- Each)	1500.00	1,500.00	1,500.00
3000000 Preference Shares of ₹ 10/- Each (as at 31st March 2021: 3000000 Preference Shares of ₹ 10/- Each; as at 01st April 2020: 3000000 Preference Shares of ₹ 10/- Each)	300.00	300.00	300.00
Total	1800.00	1800.00	1800.00
Issued, Subscribed and Fully Paid Up			
9876930 Equity Shares of ₹ 10/- Each (as at 31st March 2021: 9876930 Equity Shares of ₹ 10/- Each; as at 01st April 2020: 9876930 Equity Shares of ₹ 10/-)	987.69	987.69	987.69
Total	987.69	987.69	987.69

(a) The reconciliation of the Number of Shares Outstanding and the amount of Share Capital:

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
	No. of Shares	No. of Shares	No. of Shares
Equity Share Capital			
Shares outstanding at the beginning of the period	98.77	98.77	98.77
Changes during the period	-	-	-
Shares outstanding at the end of the period	98.77	98.77	98.77

(b) "Rights, preferences and restrictions attached to equity shares

"The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder."

(c) Details of Shareholders holding more than 5% shares in the Company:

Particulars	As at 31st March 2022		As at 31st March 2021		As at 1st April 2020	
	No. of Shares held	% of holding	No. of Shares held	% of holding	No. of Shares held	% of holding
Equity Shares of Rs. 10 each fully paid-up						
- Mr. Rajiv Jain	25,55,927	25.88	19,22,263	19.46	17,05,901	17.27
- Mr. Amit Jain	23,46,981	23.76	16,10,320	16.30	14,96,955	15.16
- Mrs. Shweta Jain	10,75,849	10.89	9,20,139	9.32	9,20,139	9.32
- Mrs Shilpa Ajmera	9,10,094	9.21	7,54,384	7.64	7,54,384	7.64
- M/s Unibloom Mancon Pvt. Ltd	4,91,530	4.98	11,67,000	11.82	11,67,000	11.82
Total	73,80,381		63,74,106		60,44,379	

(d) Shareholdings of Promoters

Shares held by promoters at the beginning of the year				Shares held by promoters at the end of the year		% Change during the
S. No	Promoter name	No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Rajiv Jain	19,22,263	19.46	25,55,927	25.88	32.96
2	Amit Jain	16,10,320	16.30	23,46,981	23.76	45.75
3	Shweta Jain	9,20,139	9.32	10,75,849	10.89	16.92
4	Shilpa Ajmera	7,54,384	7.64	9,10,094	9.21	20.64
5	Rajiv Jain HUF	3,12,299	3.16	3,41,574	3.46	9.37
6	Amit Jain HUF	3,12,054	3.16	3,41,329	3.46	9.38



21. Other Equity			(₹ in lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Securities Premium	2,029.73	2,029.73	2,029.73
Retained Earnings	12,943.11	10,070.15	5,711.86
Statutory Reserve u/s 45-IC of RBI Act, 1934	2,593.85	1,662.93	1,074.93
Capital Redemption Reserve	300.00	150.00	-
Debenture Redemption Reserve	250.00	-	-
Impairment Reserve	567.66	567.66	567.66
Total	18,684.36	14,480.47	9,384.19

Nature, Purpose and Movement of Each Reserve

(i) Securities Premium

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act,

(₹ in lakhs)			
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
At the beginning and end of the period	2,029.73	2,029.73	1,433.73
Add : Additions during the period	-	-	596.00
At the end of the period	2,029.73	2,029.73	2,029.73

(ii) Retained Earnings

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

(₹ in lakhs)			
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
At the beginning of the period	10,070.15	5,711.86	2,009.68
Add : Profit/(Loss) for the period	4,208.14	5,097.14	2,685.51
Add: Other Comprehensive Income	(4.25)	(0.85)	-
Less: Transfer to Special Reserves	(930.92)	(588.00)	(538.00)
Less: Transfer to Capital Redemption Reserves	(150.00)	(150.00)	-
Less: Transfer to Debenture Redemption Reserves	(250.00)	-	-
Add: Other Adjustments for IND AS first time adoption	-	-	1,554.67
At the end of the period	12,943.11	10,070.15	5,711.86

(iii) Statutory Reserve u/s 45-IC of RBI Act, 1934

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. 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.

(₹ in lakhs)			
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
At the beginning of the period	1,662.93	1,074.93	536.93
Add : Additions during the period	930.92	588.00	538.00
At the end of the period	2,593.85	1,662.93	1,074.93

(iv) Capital Redemption Reserve (CRR)

CRR is a statutory requirement which requires the company redeeming their optionally convertible preference shares , to transfer an amount equal to the nominal value or face value of the shares redeemed to this reserve.

(₹ in lakhs)			
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
At the beginning and end of the period	150.00	-	-
Add : Additions during the period	150.00	150.00	-
At the end of the period	300.00	150.00	-

(v) Debenture Redemption Reserve

DRR is a statutory requirement of Companies Act, 2013 which requires the company redeeming debentures, to transfer an amount equal to the 10% of face value of the debentures due for redemption in the next financial year.

(₹ in lakhs)			
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
At the beginning and end of the period	-	-	-
Add : Additions during the period	250.00	-	-
At the end of the period	250.00	-	-

(vi) Impairment Reserve

Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

(₹ in lakhs)			
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
At the beginning and end of the period	567.66	567.66	-
Add : Additions during the period	-	-	567.66
At the end of the period	567.66	567.66	567.66

22. Interest Income (Measured at Amortised Cost)

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest Earned on JLG Loans	15,923.20	16,578.36
Unwinding Interest Income on EIS asset	258.74	113.03
Excess interest spread on securitization/income from assignment	735.58	873.82
Total Income	16,917.52	17,565.22

23. Net gain on fair value changes

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Net gain / (loss) on financial instruments at fair value through profit and loss (FVTPL)		
On trading portfolio		
Mutual fund investment at FVTPL	44.02	0.66
Total Net gain/(loss) on fair value changes	44.02	0.66
Analysis of fair value changes		
Realised	-	-
Unrealised	44.02	0.66
Total Net gain / (loss) on fair value changes	44.02	0.66

24. Other Income

(₹ in lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest on Fixed Deposit	413.70	388.98
Recovery from Written off Accounts	142.39	4.43
Modification Gain on Borrowing	9.53	-
Misc. Receipts	18.27	8.60
Total Other Income	583.89	402.02

25. Finance cost (₹ in lakhs)		
Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest on financial liabilities (measured at amortised cost)		
Borrowings	6,120.28	5,820.98
Debt securities	347.19	350.07
Optionally Convertible Preference Share Capital	10.39	24.97
Other Finance Costs:		
Bank charges	67.94	36.96
Other Finance Costs	10.94	16.54
Interest accrued but not due	199.06	112.64
Total Finance cost	6,755.80	6,362.16
26. Employee Benefit Expense (₹ in lakhs)		
Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Salary to Staff	4,122.47	2,778.25
Bonus to Staff	144.22	104.66
Contribution to provident and other funds	239.12	200.21
Gratuity Expenses	51.83	26.57
Staff welfare expenses	8.19	5.24
Director Remuneration	644.00	360.00
Total Employee Benefit Expenses	5,209.82	3,474.92
Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note no. 39.		
27. Impairment on financial instruments (₹ in lakhs)		
Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Loan Assets (measured at amortised cost)	1,299.14	882.33
Loan Assets Written Off (measured at amortised cost)	2,559.02	1,279.75
Total Impairment on financial instruments	3,858.16	2,162.09
28. Depreciation and amortisation expense (₹ in lakhs)		
Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Depreciation on Property, Plant & Equipment	88.00	76.69
Amortisation on Intangible Assets	2.85	2.85
Total Depreciation and amortization expense	90.85	79.54
29. Other Expenses (₹ in lakhs)		
Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Electricity & Water Expenses	48.20	29.03
Insurance Expenses	40.57	24.69
Legal & Professional Charges	318.68	209.03
Printing & Stationery	49.64	28.19
Rent, Rates & Taxes	223.20	220.71
Repairs and Maintenance Expenses	5.62	10.40
Telephone Expenses	8.54	12.54
Travelling & Conveyance	153.98	74.83
Loss by Robbery & Fraud	5.05	1.42
Payment to Auditors	11.80	8.07
CSR Expenses	64.80	45.99
Director sitting Fees	3.22	4.00
Sundry Expenses	37.91	24.50
Advertisement	5.51	9.34

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Web Site & Software Expenses	81.87	79.30
Loss on modification of cash flows due to moratorium	-	466.20
Total Other expenses	1,058.59	1,248.24

(a) Payment to auditors includes:-

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
As an auditor		
Audit Fees	5.50	3.27
Limited Review	1.73	-
Tax Audit	1.00	1.09
In other capacity		
Certification Fees	2.48	3.71
Company law matters	1.09	
Total	11.80	8.07

(b) Amount spent towards Corporate social responsibility (CSR):-

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
a) Gross amount required to be spent by the company during the year	64.73	45.98
b) Amount spent during the year ending on 31st March:		
- Education, Rural development projects*	64.80	45.99
Total	64.80	45.99

*It includes contribution to 'Shri Jagatbharti Education and Charitable Trust' in relation to CSR expenditure as per relevant Accounting Standard amounting to 60.00 lakhs for the current year (previous year: 44.50 lakhs to 'Dayitva Welfare Trust')

30. (A) Income Tax**(₹ in lakhs)**

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Current Tax	1,015.09	1,022.46
Deferred Tax	(568.61)	508.98
Total Tax Expenses	446.49	1,531.44

(B) Income tax liabilities and assets as at:

Particulars	31st March 2022	31st March 2021
Provision for taxation	1,023.37	382.05
Income Tax Refund Receivable	(991.33)	(82.59)
Net Provision for taxation	32.04	299.46

31. Earnings per Share (Ind AS 33)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
(A) Basic Earnings per share		
(i) Profit attributable to equity shareholders (used as numerator) (₹ lakhs)	4,208.14	5,097.14
(ii) Weighted average number of equity shares (used as denominator) (Nos.)(Nominal Value per share ₹ 10)	98,76,930.00	98,76,930.00
Basic EPS (i)/(ii) (in ₹)	42.61	51.61
(B) Diluted Earnings per share		
(i) Profit attributable to equity shareholders (used as numerator) (₹ lakhs)	4,208.14	5,097.14
(ii) Weighted average number of equity shares (used as denominator) (Nos.)(Nominal Value per share ₹ 10)	98,76,930.00	98,76,930.00
Diluted EPS (i)/(ii) (in ₹)	42.61	51.61

Digamber Capfin Limited

Statement of Standalone Asset and Liabilities

32. First Time Adoption of Ind AS(Ind AS 101)

I. Basis of Preparation

These are the Company's first financial statements in accordance with Ind AS. For periods up to and including the year ended 31 March 2021, the Company prepared its financial statements in accordance with previous GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Company's Ind AS Opening Balance Sheet is 1 April 2020 (the date of transition to Ind AS).

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31st March 2022, the comparative information presented in these financial statements for the year ended 31 March 2021 and in the preparation of an opening Ind AS Balance Sheet at 1 April 2020 (the Company's date of transition). According to Ind AS 101, the first Ind AS financial statements must use recognition and measurement principles that are based on standards and interpretations that are effective at 31 March 2022, the date of first-time preparation of financial statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS financial statements. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 01, 2020 and the financial statements as at and for the year ended March 31, 2021 and how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

II. Optional exemptions availed and mandatory exceptions

In the Ind AS Opening Balance Sheet as at 1 April 2020, the carrying amounts of assets and liabilities from the previous GAAP as at 31 March 2020 are generally recognized and measured according to Ind AS in effect as on 31 March 2022. However for certain individual cases, Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS. The Company has made use of the following exemptions and exceptions in preparing its Ind AS Opening Balance Sheet: Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS.

Following optional exemptions availed from other Ind AS

(a) Fair Value of Financial Assets and Liabilities:

As per Ind AS exemption, the Corporation has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

(b) Leases

"Ind AS 116 requires an entity to assess whether an arrangement contains a lease at its inception. However, Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS. The Company has elected to apply this exemption for such contracts/ arrangements.

The company has also elected to apply the following exemptions:

1. Measure Right of Use Assets on date of transition at an amount equal to the lease liability, adjusted by the amount of prepaid/accrued lease payments.
2. Apply a single discount rate to a portfolio of leases with reasonably similar characteristics.
3. Elect not to recognise lease liability for leases for which the lease term ends within 12 months of the date of transition, and instead account for them as short term leases.
4. Exclude initial direct cost from the measurement of right of use assets."

Following mandatory exceptions availed from other Ind AS

(a) Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

(b) Derecognition of financial assets and financial liabilities

Ind AS 101 permits a first-time adopter to apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs (unless they qualify for recognition as a result of a later transaction or event).

(c) Estimates

"An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2020 are consistent with the estimates as at the same date made in conformity with previous GAAP. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Corporation for the relevant reporting dates reflecting conditions existing as at that date.

The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required/made under previous GAAP:

- Impairment of financial assets based on expected credit loss model.
- Fair valuation of financial instruments carried at FVTPL
- Determination of discounted value for financial instruments carried at amortized cost
- Actuarial Valuation of Employee benefit expenses"

III. Reconciliation of Balance Sheet as at 31st March, 2021 and 1st April, 2020							(₹ In Lakhs)
Particulars	Note	As per Previous GAAP 1 April, 2020	Ind AS Adjustments	As per Ind AS 1 April, 2020	As per Previous GAAP 31 March, 2021	Ind AS Adjustments	As per Ind AS 31 March, 2021
I. ASSETS							
(1) Financial Assets							
(a) Cash and Cash Equivalents		2,229.91	52.83	2,282.74	4,283.24	(681.69)	3,601.55
(b) Bank balance other than Cash and cash equivalents		6,289.92	(4,646.06)	1,643.86	5,378.94	(3,044.33)	2,334.61
(c) Receivables							
(i) Trade Receivables		-	-	-	-	-	-
(ii) Other Receivables		-	-	-	-	-	-
(d) Loans	1	48,027.49	9,361.14	57,388.63	53,457.25	2,876.03	56,333.28
(e) Investments	7	100.00	-	100.00	5,515.50	0.39	5,515.89
(f) Other Financial Asset	9	8.93	7,304.47	7,313.40	0.36	7,205.01	7,205.37
Total Financial Assets		56,656.25	12,072.38	68,728.64	68,635.29	6,355.41	74,990.70
(2) Non-financial Assets							
(a) Current Tax Assets (Net)		-	82.59	82.59	-	-	-
(b) Deferred tax Assets (Net)	5	30.78	(30.78)	-	46.47	(46.47)	-
(c) Property, Plant and Equipment		953.01	-	953.01	3,331.12	-	3,331.12
(e) Right of Use Assets		-	-	-	-	-	-
(f) Intangible Assets under development		15.00	-	15.00	-	-	-
(g) Goodwill		-	-	-	-	-	-
(h) Other Intangible Assets		-	-	-	12.15	-	12.15
(i) Other non-financial assets	4	2,286.64	(796.44)	1,490.20	921.58	(807.48)	114.10
Total Non-financial Assets		3,285.43	(744.63)	2,540.80	4,311.32	(853.95)	3,457.37
Total Assets		59,941.68	11,327.76	71,269.44	72,946.60	5,501.47	78,448.07
II. LIABILITIES AND EQUITY							
Liabilities							
(1) Financial Liabilities							
(a) Payables							
(i) 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		-	-	-	-	-	-
(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) Debt Securities	2	-	-	-	5,196.50	(15.52)	5,180.99
(c) Borrowings (Other than Debt Securities)	2	47,691.01	17.71	47,708.72	49,975.12	(227.13)	49,747.99
(d) Subordinated Liabilities		1,500.00	20.21	1,520.21	1,520.21	-	1,520.21
(e) Other Financial Liabilities	10	2,141.74	8,916.35	11,058.09	4,291.05	880.51	5,171.57
Total Financial Liabilities		51,332.75	8,954.27	60,287.03	60,786.39	637.87	61,620.76
(2) Non-Financial Liabilities							
(a) Current Tax liabilities (Net)		-	-	-	-	299.46	299.46
(b) Provisions		-	8.94	8.94	382.05	(377.50)	4.55
(c) Deferred tax Liability (Net)	5	-	515.21	515.21	-	1,023.91	1,023.91
(d) Other non-financial liabilities		86.39	-	86.39	295.53	(264.30)	31.23
Total Non-Financial Liabilities		86.39	524.15	610.53	677.58	681.57	1,359.15
(3) EQUITY							
(a) Equity Share capital	8	1,287.69	(300.00)	987.69	1,137.69	(150.00)	987.69
(b) Other Equity		7,234.85	2,149.34	9,384.19	10,148.44	4,332.03	14,480.47
Total Equity		8,522.54	1,849.34	10,371.88	11,286.13	4,182.03	15,468.16
Total Equity and Liabilities		59,941.68	11,327.76	71,269.44	72,946.60	5,501.47	78,448.07

IV. Reconciliation of Total Comprehensive Income for the period ended 31st March 2021					(₹ In Lakhs)
PARTICULARS	Note	As per Previous GAAP	Ind AS Adjustments	As per Ind AS	
I Revenue from Operations	1, 7 & 9	15,930.37	3,623.14	19,553.51	
II Other Income		402.02	-	402.02	
III Total Income (I+II)		16,332.39	3,623.14	19,955.53	
IV Expenses:					
Finance Costs	2	6,312.05	132.11	6,362.16	
Impairment on financial instruments	6	1,560.43	601.66	2,162.09	
Employee Benefits Expense	4	3,492.33	(17.41)	3,474.92	
Depreciation & Amortisation Expense		79.54	-	79.54	
Other Expenses	2	942.71	305.53	1,248.24	
Total Expenses (IV)		12,387.06	939.89	13,326.95	
V Profit/(Loss) before Exceptional Items & Tax (III-IV)		3,945.33	2,683.25	6,628.58	
VI Exceptional Items		-	-	-	
VII Profit/(Loss) Before Tax (V-VI)		3,945.33	2,683.25	6,628.58	
VIII Tax Expense:		-			
Current Tax		1,022.46	-	1,022.46	
Deferred Tax	5	(15.69)	524.67	508.98	
Income Tax for Earlier Year		-	-	-	
Total Tax Expenses (VIII)		1,006.77	524.67	1,531.44	
IX Profit/(loss) for the year (VII-VIII)		2,938.56	2,158.58	5,097.14	
X Other Comprehensive Income					
(A) Items that will not be reclassified to profit or loss	4	-	(1.13)	(1.13)	
- Income tax on above	5	-	0.29	0.29	
Subtotal(A)		-	(0.85)	(0.85)	
(B) Items that will not be reclassified to profit or loss		-	-	-	
Subtotal(B)		-	-	-	
XI Total Other Comprehensive Income for the year (A+B)		-	(0.85)	(0.85)	
XII Total Comprehensive Income for the year (IX+XI)		2,938.56	2,157.73	5,096.29	

*Balances as per Previous GAAP have been reclassified/regrouped to match with Ind AS classification.

V. Reconciliation of total Equity as at 31 March, 2021 and 1 April, 2020			(₹ In Lakhs)
Particulars	Note	As at 31st March 2021	As at 1st April 2020
Total Equity (shareholder's fund) as per previous GAAP		11,286.13	8,522.54
Adjustments :			
Preference Share Capital	8	(150.00)	(300.00)
Impairment Reserve	6	567.66	567.66
Expected Credit Loss	6	(602.70)	
Deferred tax	5	(1,070.37)	(545.99)
Fair Valuation of Mutual Funds	7	0.40	-
Provision for Gratuity	4	66.51	45.00
Effective Interest Rate on Financial Liability	2	392.64	262.08
Effective Interest Spread impact due to Direct Assignment	9	2,758.66	1,991.00
Effective Interest Rate on Financial Assets	1	2,219.24	(170.41)
Total Equity as per Ind AS		15,468.16	10,371.88

VI. Reconciliation of Total Comprehensive Income for the year ended 31 March, 2021			(₹ In Lakhs)
Particulars	Note	Year ended 31st March 2021	
Net Profit under Previous GAAP (After Tax)		2,938.56	
Add/(less) adjustments for Ind AS:			
Expected Credit Loss	6	(602.70)	
Deferred tax	5	(524.67)	
Fair Valuation of Mutual Funds	7	0.40	
Provision for Gratuity	4	22.65	
Effective Interest Rate on Financial Liability	2	130.56	
Effective Interest Spread impact due to Direct Assignment	9	767.66	
Finance Cost on Preference Share Capital	8	(24.97)	
Effective Interest Rate on Financial Assets	1	2,389.65	
Total adjustments		2,158.59	
Net Profit under Ind AS (After Tax)		5,097.14	
Other Comprehensive Income			
Actuarial Gain/(Loss) recognised in OCI	4	(1.13)	
Deferred tax on above	5	0.29	
Total Comprehensive Income as per Ind AS		5,096.29	

VII. Impact of Ind AS adoption on Statement of Cash Flows for the year ended on 31 March, 2021			(₹ In Lakhs)
Particulars	As per Previous GAAP	Ind AS Adjustments	As per Ind AS
Net cash Flow from operating activity	13,257.20	(4,585.31)	8,671.89
Net cash Flow from investing activity	(13,194.44)	5,710.71	(7,483.73)
Net cash Flow from financing activity	1,079.57	(258.18)	821.39
Net increase/(decrease) in cash and cash equivalents during the year	1,142.34	867.21	2,009.56
Cash and cash equivalents at the beginning of the year*	8,519.83	(4,593.23)	3,926.60
Cash and cash equivalents at end of the year*	9,662.18	(3,726.02)	5,936.16

*The difference in the balance of cash and cash equivalents is due to classification of fixed deposits having maturing of more than 12 months as on the balance sheet date. As per Ind AS it is shown under the head of other financial assets whereas in Indian GAAP it is

VIII. Notes to First time adoption

1 Loans and Advances

Under Indian GAAP, transaction costs earned in connection with loans and advances was booked upfront and was charged to profit or loss for the year. Under Ind AS, transaction costs was included in the initial recognition amount of financial asset measured at amortised cost and was charged to profit or loss using the effective interest method.

2 Debt securities and Borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised over the period and charged to statement of profit and loss. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and additional interest was charged to statement of profit and loss using the effective interest method .

3 Fixed Deposits with Banks

Under previous GAAP, all fixed deposits with banks were classified under Cash and Cash Equivalents. Under IndAS, deposits with maturity more than 12 months have been presented under "Other non-current financial assets", and deposits with maturity more than 3 months but upto 12 months, or deposits not freely available are presented under "Bank Balances other than Cash and Cash Equivalents".

4 Defined Benefit Liabilities:

Under Previous GAAP, the Company didn't recognised any asset or liability pertaining to defined benefit obligation. Under previous GAAP, the entire contribution, was charged to Statement of Profit and Loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability) are recognised through Other Comprehensive Income instead of Profit or Loss.

5 Deferred Tax

Previous GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP. In addition, the various transitional adjustments discussed above lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred Tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or profit and loss respectively.

6 Recording of Impairment as per Expected Credit Loss ("ECL")

(i) Under Indian GAAP, Non performing Assets ("NPA") provisioning was computed based on the RBI guidelines. Under Ind AS, the impairment is computed based on ECL model. Under ECL, the Company impaired its loans to customers which has been eliminated against retained earnings. This has resulted in an additional impairment provision on the date of transition to Ind AS the impact of which was taken to retained earnings. Additional impairment has been taken to the statement of Profit and loss.

(ii) Under Indian GAAP, NPA provision along with Standard asset provision has been disclosed under Provisions. Under Ind AS the ECL provision has been adjusted against loan balance.

7 Investments in mutual funds

Under Indian GAAP, investments are measured at cost plus transaction value and are not remeasured at reporting dates. Under Ind AS, Mutual funds are initially measured at fair value only and related transaction cost is expensed off to Profit and Loss and are remeasured at each reporting date at "Fair Value through Profit or loss".

8 Optionally convertible Preference Shares

Under IND AS, "A financial liability is any liability that is a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of entity's own equity instruments". Since the Preference Share Capital is optionally convertible into equity shares at the option of holder and the conversion option doesn't meet fixed to fixed test, therefore the Preference Share Capital is classified as financial liability. Accordingly the preference dividend is treated as finance cost.

9 Direct Assignment (DA) Transaction

Under Indian GAAP, Excess Interest Spread is booked as and when received. Under IND AS, Financial asset (sold pools) are derecognized from the books of accounts and on derecognition of financial asset, entity obtains a financial asset in the form of Excess Interest Spread (EIS) which are recognized at its present value on the date of DA. The entity recognised the gain or loss (whether due to consideration received or any new financial asset obtained or financial liability assumed) on the date of derecognition in Profit or Loss. The gain on the Date of DA due to new financial asset obtained i.e. EIS, is recognized in Profit or Loss upfront. At every reporting date, financial income is booked on unwinding of EIS asset. Also, actual excess interest received is adjusted against EIS asset and not accounted for interest income.

10 Pass Through Certificate (PTC)

Under Indian GAAP, sold pool is derecognized from the books of accounts. Under IND AS, sold pool is not derecognized from the books of accounts as entity retains significant risk related to the sold pool. Therefore, the loans are re-recognised in the books of accounts. Financial liability is created against the amount received from the bank and any transaction cost linked with it is amortized over the tenure of the loan.

33 . Maturity Analysis at March 31, 2022, March 31, 2021 & April 1, 2020

Particulars	As at 31st March 2022			As at 31st March 2021			As at 1st April 2020		
	Amount	within 12 month	after 12 month	Amount	within 12 month	after 12 month	Amount	within 12 month	after 12 month
I. ASSETS									
(1) Financial Assets									
(a) Cash and Cash Equivalents	7,368.35	7,368.35	-	3,601.55	3,601.55	-	2,282.74	2,282.74	-
(b) Bank balance other than Cash and cash equivalents	2,316.42	2,316.42	-	2,334.61	2,334.61	-	1,643.86	1,643.86	-
(c) Receivables	-	-	-	-	-	-	-	-	-
(l) Trade Receivables	-	-	-	-	-	-	-	-	-
(II) Other Receivables	-	-	-	-	-	-	-	-	-
(d) Loans	75,056.03	35,214.91	39,841.12	56,333.28	32,075.24	24,258.04	57,388.63	38,998.50	18,390.14
(e) Investments	559.91	-	559.91	5,515.89	4,963.94	551.95	100.00	-	100.00
(f) Other Financial Asset(to be specified)	8,044.33	4,324.61	3,719.72	7,205.37	3,075.54	4,129.83	7,313.40	3,271.85	4,041.55
Total Financial Assets	93,345.03	49,224.28	44,120.75	74,990.70	46,050.88	28,939.82	68,728.64	46,196.95	22,531.69
(2) Non-financial Assets									
(a) Current Tax Assets(Net)	-	-	-	-	-	-	82.59	82.59	-
(b) Deferred tax Assets (Net)	-	-	-	-	-	-	-	-	-
(c) Property, Plant and Equipment	3,429.74	-	3,429.74	3,331.12	-	3,331.12	953.01	-	953.01
(d) Capital Work in Progress	25.96	-	25.96	-	-	-	-	-	-
(e) Intangible Assets under development	-	-	-	-	-	-	15.00	15.00	-
(f) Other Intangible Assets	9.30	-	9.30	12.15	-	12.15	-	-	-
(g) Other non-financial assets	115.94	45.92	70.02	114.10	47.59	66.51	1,490.20	1,445.20	45.00
Total Non-financial Assets	3,580.94	45.92	3,535.02	3,457.37	47.59	3,409.78	2,540.80	1,542.79	998.01
Total Assets	96,925.97	49,270.20	47,655.77	78,448.07	46,098.47	32,349.60	71,269.44	47,739.74	23,529.70
II. LIABILITIES AND EQUITY									
Liabilities									
(1) Financial Liabilities									
(a) Payables									
(I) Trade Payables									
i) total outstanding dues of micro enterprises and small enterprises	6.79	6.79	-	-	-	-	-	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3.51	3.51	-	-	-	-	-	-	-
(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	43.34	43.34	-	-	-	-	-	-	-
(b) Debt Securities	2,545.50	-	2,545.50	5,180.99	2,636.60	2,544.38	-	-	-
(c) Borrowings (Other than Debt Securities)	70,351.38	32,376.32	37,975.06	49,747.99	25,398.91	24,349.08	47,708.72	20,825.99	26,882.73
(d) Subordinated Liabilities	1,507.82	7.82	1,500.00	1,520.21	20.21	1,500.00	1,520.21	-	1,520.21
(e) Other Financial Liabilities	2,088.75	2,088.75	-	5,171.57	3,191.39	1,980.17	11,058.09	6,033.81	5,024.28
Total Financial Liabilities	76,547.09	34,526.54	42,020.56	61,620.76	31,247.12	30,373.64	60,287.03	26,859.80	33,427.22
(2) Non- Financial Liabilities									
(a) Current Tax Liabilities (Net)	32.04	32.04	-	299.46	299.46	-	-	-	-
(b) Provisions	95.63	95.63	-	4.55	4.55	-	8.94	8.94	-
(c) Deferred tax Liabilities (Net)	453.87	-	453.87	1,023.91	-	1,023.91	515.21	-	515.21
(d) Other non-financial liabilities	125.29	125.29	-	31.23	31.23	-	86.39	86.39	-
Total Non- Financial Liabilities	706.82	252.95	453.87	1,359.15	335.25	1,023.91	610.53	95.32	515.21
(3) EQUITY									
(a) Equity Share Capital	987.69	-	987.69	987.69	-	987.69	987.69	-	987.69
(b) Other Equity	18,684.36	-	18,684.36	14,480.47	-	14,480.47	9,384.19	-	9,384.19
Total Equity	19,672.05	-	19,672.05	15,468.16	-	15,468.16	10,371.88	-	10,371.88
Total Equity and Liabilities	96,925.97	34,779.49	62,146.48	78,448.07	31,582.37	46,865.71	71,269.44	26,955.13	44,314.31

34. Disclosure as per Ind AS 7 "Cash Flow Statement"**Cash and non-cash changes in liabilities arising from financing activities:****Year ended 31st March 2022**

Particulars	Secured Term Loans	Subordinated Debt	Non Convertible Debentures	Total
As at 1st April 2021	49,747.99	1,520.21	5,180.99	56,449.19
Cash Flows				
Receipts/(Payments)	20,592.05	(20.03)	(2,500.00)	18,072.02
Non-cash changes				
Accrued Interest	198.15	7.64	(148.46)	57.33
Amortisation of Processing Fees	(186.81)	-	12.97	(173.84)
As at 31st March 2022	70,351.38	1,507.82	2,545.50	74,404.70

Year ended 31st March 2021

Particulars	Secured Term Loans	Subordinated Debt	Non Convertible Debentures	Total
As at 1st April 2020	47,708.72	1,520.21	-	49,228.93
Cash Flows				
Receipts/(Payments)	2,021.46	(20.21)	5,000.00	7,001.25
Non-cash changes				
Accrued Interest	132.86	20.21	196.50	349.57
Amortisation of Processing Fees	(115.05)	-	(15.52)	(130.56)
As at 31st March 2021	49,747.99	1,520.21	5,180.99	56,449.19

35. Disclosure as per Ind AS 12: Income Taxes**(i) Income Tax recognized in the statement of profit and loss****(₹ In Lakhs)**

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Current Tax expense		
Current Year	1,015.09	1,022.46
Adjustment for earlier years	-	-
Total current Tax Expense	1,015.09	1,022.46
Deferred Tax Expense		
Origination and reversal of temporary differences	(568.61)	508.98
Origination and reversal of carried forward losses		
Total Deferred Tax Expense	(568.61)	508.98
Total Income Tax Expense	446.49	1,531.44

(ii) Income Tax recognized in other comprehensive income

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Net actuarial gains/(losses) on defined benefit plans		
Before Tax	(5.68)	(1.13)
Tax expense / (benefit) recognized in OCI	1.43	0.29
Net of Tax	(4.25)	(0.85)

(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate**(₹ In Lakhs)**

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Profit before tax	4,654.62	6,628.58
Applicable Tax Rate	25.17%	25.17%
Computed tax expense	1,171.48	1,668.28
Earlier Year tax	-	-
Adjustments for:		
CSR Expenses	16.31	11.57
Depreciation excess allowed	(6.49)	(8.30)
Disallowances	(734.81)	(140.11)
Tax as per Statement of Profit & Loss	446.49	1,531.44

(iv) Deferred Tax Liabilities / (Asset) Movement**(₹ In Lakhs)**

Deferred tax balance (Asset) / Liability in relation to	As at 31st March 2022	Movement during the period	As at 31st March 2021	Movement during the period	As at 1st April 2020
Effective Interest Rate on Financial Assets	(46.80)	117.94	(164.74)	(83.89)	(80.85)
Provisions for ECL	(400.49)	(273.11)	(127.38)	(127.38)	-
Actuarial Gain on Gratuity	(1.71)	(1.43)	(0.29)	(0.29)	-
Fair Valuation of Mutual Funds	5.94	5.77	0.16	0.16	
Effective Interest Rate on Financial Liability	44.09	(54.73)	98.82	32.86	65.96
Effective Interest Spread impact due to Direct Assignment	787.93	288.50	499.43	62.43	437.00
Accrued Interest	-	(664.80)	664.80	617.12	47.68
Depreciation and Amortisation	64.92	11.81	53.11	7.69	45.42
Total	453.87	(570.03)	1,023.91	508.70	515.21
Recognised through:					
Profit & Loss		(568.61)		508.98	
OCI		(1.43)		(0.29)	
Total		(570.03)		508.70	

36. Disclosure as per Ind AS 37: Provisions, Contingent Liabilities, Contingent Assets**(₹ In Lakhs)**

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
A. Contingent Liabilities			
Claims against the company not acknowledged as debt			
Income Tax Demands	-	-	-
Others*	-	-	-
B. Capital and other Commitments			
Others			
The Company's capital commitments towards Capital Work in Progress	84.44	-	-
	84.44	-	-

37. Disclosure as per Ind AS 24 and Sec 53(f) of SEBI (LODR) Regulations, 2015: Related Parties**(A) Name of Related parties and nature of relationship****1. Directors and Key Management Personnel**

a) Mr. Rajiv Jain	Chairman & Managing Director
b) Mr. Amit Jain	Whole Time Director cum CFO
c) Mr. Lalit Kumar Jain	Independent Director
d) Mr. Nayan Ambali	Independent Director
e) Mr. Jatin Chhabra	Non- Executive Director
f) Dr. Amita Gill	Independent Director
g) Mr. Dharmendra Saxena	Nominee Director - SIDBI
h) Ms. Neha Agarwal	Company Secretary

2. Relatives of Key Management Personnel

a) Mrs. Shweta Jain
b) Mrs. Shilpa Ajmera

3. Enterprises in which Key Management Person and their Relatives are interested

a) Rajiv Jain HUF
b) Amit Jain HUF

(B) Transaction with the above related parties			
Transactions with KMP		(₹ in Lakhs)	
Name	Nature of Transaction	2021-2022	2020-2021
Amit Jain	Remuneration and commission	322.00	180.00
Rajiv Jain	Remuneration and commission	322.00	180.00
Neha Agarwal	Salary	3.00	3.29
Mr. Jatin Chhabra	Sitting Fees	1.06	1.28
Dharmendra Saxena	Sitting Fees	0.31	0.44
Lalit Kumar Jain	Sitting Fees	1.00	1.33
Nayan Ambali	Sitting Fees	0.60	0.89
Amita Gill	Sitting Fees	0.25	0.06
Transactions with Other Parties			
Shweta Jain	Salary	27.85	24.00
Shilpa Ajmera	Salary	27.85	24.00

(C) Outstanding Balances of the above related parties -	2021-2022	2020-2021
Receivable/(Payable)		
Amit Jain	44.00	34.00
Rajiv Jain	44.00	38.00

(D) Compensation of KMP	2021-2022	2020-2021
(i) Short term benefits	650.22	367.29
(ii) Long term benefits	-	-

38 Disclosure as per Ind AS 116: Leases

The company lease primarily consist of leases for office premises. These agreements are generally renewable on mutually agreed terms.

Practical Expedients applied:

The company has elected not to apply the recognition, measurement and presentation requirements of the standard to all short term leases (leases which have a lease term of 12 months or less and do not contain a purchase option), and to leases of low value assets on a lease-by-lease basis.

Company's short term lease expenses amounts to Rs 218.39 Lakhs for the year ended 31st March 2022 and Rs 179.54 Lakhs for the year ended 31st March 2021

39 Disclosure as per Ind AS 19 ' Employee Benefits'

A) Defined contribution plans

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes. During the year company has recognised the following amounts in the statement of profit and loss account:

(₹ In Lakhs)		
Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Contributions to		
Provident and other funds	239.12	200.21
Total	239.12	200.21

Statement of Assets and Liabilities for Gratuity as at 1st April 2020		(₹ In Lakhs)
Particulars	Total	
Defined benefit Obligation		48.40
Fair value of Plan Assets		93.40

(₹ In Lakhs)		
Particulars	As at 31st March 2022	As at 31st March 2021
(i) Change in plan assets		
Fair value of plan assets at the beginning of the period	146.71	93.40
Actual return on plan assets	10.05	5.98
Mortality	-	(0.50)
Employer contribution	61.02	49.22
Benefits paid	(2.43)	(1.38)
Fair value of plan assets at the end of the period	215.35	146.71
(ii) Change in defined benefit obligation		
Defined benefit obligation, beginning of the year	80.20	48.40
Current service cost	56.28	29.55
Interest cost	5.37	3.21
Past service cost	-	-
Benefits paid	(2.43)	(1.38)
Actuarial (gains)/losses	5.90	0.42
Defined benefit obligation, end of the year	145.33	80.20
(iii) Net Liability/(Asset) recognized in the Balance Sheet		
Present value of defined benefit obligation	145.33	80.20
Fair value of plan assets	(215.35)	(146.71)
Net liability	(70.02)	(66.51)
(iv) Expenses recognized in Statement of Profit or Loss		
Total Service Cost	56.28	29.55
Net Interest cost	(4.46)	(2.98)
Total Expense recognised in statement of profit or loss	51.83	26.57
(v) Remeasurements recognized in other comprehensive income(OCI)		
Changes in demographic assumptions	-	-
Changes in financial assumptions	(7.85)	(0.03)
Experience adjustments	13.53	1.16
Total Actuarial (Gain) / Loss recognised in OCI	5.68	1.13
(vi) Maturity Profile of Defined Benefit Obligation		
0 to 1 Year	3.64	1.94
1 to 2 Year	4.91	0.98
2 to 3 Year	6.27	1.33
3 to 4 Year	6.66	1.69
4 to 5 Year	7.21	1.68
5 to 6 Year	6.78	1.59
6 Year onwards	109.85	70.98
(vii) Sensitivity Analysis for significant assumptions*		
Increase/(Decrease) on present value of defined benefits obligation at the end of the year	145.33	80.20
0.5% increase in salary escalation rate	10.05	5.87
0.5% decrease in salary escalation rate	(9.17)	(5.34)
0.5% increase in discount rate	(9.32)	(5.33)
0.5% decrease in discount rate	10.34	5.92
(viii) Actuarial Assumptions		
Discount rate (p.a)	6.55%	6.70%
Salary Escalation Rate (p.a.)	10.00%	7.00%
Retirement age	60 years	60 years
Mortality (Including provision for disability)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Attrition Rate	6.00%	6.00%

* These 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 analyses. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow:

- a) Changes in Discount rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.
- b) Salary increase risk - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- c) Life expectancy - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- d) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Disclosure as per Ind AS-107 'Financial Instruments'

Financial Risk Management

The Company's Principal financial liabilities comprise borrowings. The main purpose of these financial liabilities is to finance the Company's operations. At the other hand company's Principal financial assets include loans and cash and cash equivalents that derive directly from its operations.

As a lending institution, Company is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. The Company's risk governance structure operates with a robust board and risk management committee with a clearly laid down charter and senior management direction and oversight. The board oversees the risk management process and monitors the risk profile of the company directly as well as through its sub committees including the Audit Committee, the Asset Liability Supervisory Committee and the Risk Management Committee. The key risks faced by the company are liquidity risk, credit risk, Concentration risk, market risk, interest rate risk and Operational Risk.

Company is exposed to following risk from the use of its financial instrument:

- Credit Risk
- Liquidity Risk
- Market Risk
- Concentration Risk
- Interest Rate Risk
- Operational Risk

(i) Credit risk

Credit risk arises when a borrower is unable to meet financial obligations under the loan agreement to the Company. This could be either because of wrong assessment of the borrower's repayment capabilities or due to uncertainties in future. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

Loan Asset:

The company has comprehensive and well-defined credit policies across all products and segments, which are backed by analytics and technology for mitigating the risks associated with them. Company has developed "Credit scoring model" which uses quantitative measures of the performance and characteristics of past loans to predict the future performance of loans with similar characteristics. It is a statistical method of assessing the credit risk associated with new loan applications. Various Parameters or risk identifiers of this function are empirically designed; that is, they are developed entirely from information and experience gained through prior experience. It is the set of decision models and their underlying techniques that aid the company in determining to ascertain the credit worthiness of a potential customer and also fairly price credit risks. It is an objective risk assessment/identification tool, as opposed to subjective methods that rely on a credit underwriter's opinion. It helps the company in taking credit decisions in a consistent manner.

"Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, cash flow analysis, physical verifications of a customer's business and residence and field visits and required term cover for insurance.

The company has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals."

Cash & Cash Equivalents, Bank Deposits & Other Financial assets:

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/ financial institutions who have been assigned high credit rating by international and domestic rating agencies.

The Company held cash and cash equivalents of ₹ 7368.35, ₹ 3601.55 and ₹ 2282.74 lakhs on 31st March 2022, 31st March 2021 and 1st April 2020 respectively and other deposits with banks and financial institutions of ₹ 2316.42, ₹ 2334.61 and ₹ 1643.86 Lakhs on 31st March 2022, 31st March 2021 and 1st April 2020 respectively.

(ii) Concentration of Risk/Exposure

Concentration of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in same geographical area or industry sector so that collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions.

The Company is in retail lending business in all over India.

The Concentration of risk is managed by company for each product by its region and its sub segments. Company did not overly depend on few regions or sub-segments as of March 31, 2022.

Carrying amount of maximum credit risk as on reporting date			
	(₹ In Lakhs)		
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Financial assets for which loss allowance is measured using 12 month Expected Credit			
Loans	74,536.70	55,533.52	57,424.16
Financial assets for which loss allowance is measured using Lifetime Expected Credit			
Loans	2,835.45	1,816.75	99.13
Total	77,372.16	57,350.28	57,523.29

(iii) Liquidity Risk

"Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The objective of Liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. Liquidity risk may arise because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances caused by a difference in the maturity profile of Company assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company manages liquidity risk by maintaining adequate cash and bank balances and access to undrawn committed borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Particulars	On Demand	0-1 year	1-5 years	More than 5 years	Total
As at 31st March 2022					
Borrowings	-	32,699.63	38,183.45	-	70,883.09
Debt Securities	-	-	2,548.05	-	2,548.05
Subordinated Liabilities	-	1,592.10	852.61	-	2,444.72
Trade and Other Payables	-	53.65	-	-	53.65
Other Financial Liabilities	-	2,088.75	-	-	2,088.75
Total	-	36,434.13	41,584.12	-	78,018.24
As at 31st March 2021					
Borrowings	-	23,527.81	23,044.30	-	46,572.10
Debt Securities	-	2,647.67	2,548.84	-	5,196.50
Subordinated Liabilities	-	20.21	1,500.00	-	1,520.21
Trade and Other Payables	-	-	-	-	-
Other Financial Liabilities	-	3,191.39	1,980.17	-	5,171.57
Total	-	29,387.08	29,073.31	-	58,460.39

As at 1st April 2020					
Borrowings	-	17,462.49	25,401.32	5.96	42,869.76
Debt Securities	-	-	-	-	-
Subordinated Liabilities	-	20.21	1,500.00		1,520.21
Trade and Other Payables	-	-	-	-	-
Other Financial Liabilities	-	6,033.81	5,024.28	-	11,058.09
Total	-	23,516.51	31,925.60	5.96	55,448.07

(iv) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The Company's exposure to market risk is primarily on account of interest rate risk and liquidity risk. The objective of the company is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(v) Interest Rate Risk

"The Company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity years that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seeks to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.

Change in interest rate affects Company's earnings (measured by NII or NIM) and corresponding net worth, Hence it is essential for the Company to not only quantify the interest rate risk but also to manage it proactively. The Company mitigates its interest rate risk by keeping a balanced mix of borrowings. The Company lends at fixed rate of interest thus, the company is not exposed to interest rate risk on loans."

Interest Rate Exposure:			(₹ In Lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
A. Fixed Rate Borrowings	22,633.08	29,119.93	31,507.35
B. Floating Rate Borrowings	47,718.30	20,628.06	16,201.37
Total Borrowings	70,351.38	49,747.99	47,708.72

Fair Value Sensitivity analysis for Fixed rate -Instrument

The Company does not account for any Fixed rate -Financial Asset and Financial Liabilities at Fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash Flow Sensitivity analysis for Variable rate -Instrument

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amount shown below

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss:

(₹ In Lakhs)				
Particulars	Year Ended 31st March 2022		Year Ended 31st March 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Borrowings (Floating)	47,718.30	47,718.30	20,628.06	20,628.06
Increase in basis points (1%)	477.18	477.18	206.28	206.28
Decrease in basis points (1%)	(477.18)	(477.18)	(206.28)	(206.28)

(vi) Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses.

The Company recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

"The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of concurrent audit.

The company has put in place a robust Disaster Recovery (DR) plan and Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with any adverse events."

41. Capital Management

For the purpose of Company's Capital Management, Capital includes issued equity share capital & Borrowings. The primary objective of Company's Capital Management is to maximize shareholder's value and to maintain an appropriate capital structure of debt and equity. The company manages it's capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants. The company manages it's capital using Debt to Equity Ratio which is Net Debt/Total Equity. Net Debt is total borrowing (Non-current and current) less cash and cash equivalent.

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Borrowings	74,404.70	56,449.19	49,228.93
Less: Cash and Cash Equivalents	7,368.35	3,601.55	2,282.74
Net Debt	67,036.35	52,847.65	46,946.19
Total Equity	19,672.05	15,468.16	10,371.88
Net Debt to Equity Ratio	3.41	3.42	4.53

42 Disclosure as per Ind AS 108: Operating Segments

a) The managing Director (MD) of the company has been identified as the chief operating decision maker (CODM) as defined by the Ind AS 108 "Operating Segments". The Company's Operating segments are established in the manner consistent with the components of company that are evaluated regularly by the CODM. The company is engaged primarily in the business of financing and operates in a single reportable segment i.e. lending to retail customers under various product lines, having similar risks and returns.

b) Geographical Information

The Company operates in a single geographical area - India (country of domicile).
All of the Company's non current assets are located in India.

c) Information about major customers

During the year ended 31st March 2022 and 31st March 2021, there is no single customer contributes 10% or more to the Company's revenue. |

43 Disclosure as per Ind AS-113 'Fair Value Measurements'

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

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

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This Includes listed equity instruments that have quoted price. Listed and actively traded equity instruments are stated at the last quoted closing price on the National Stock Exchange of India Limited (NSE).

Level 2- The fair value of financial instruments that are not traded in active market is determined using valuation techniques which maximize 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. The fair value of the financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

Valuation Techniques : The management assessed that cash and cash equivalents, bank balances other than cash & cash equivalents, other financial assets, trade payables, lease liability and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values of financial assets or liabilities.

Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Fair value measurement hierarchy of assets & liabilities as at March 31, 2022

Fair value measurement hierarchy of assets & liabilities as at March 31, 2022				
(₹ In Lakhs)				
Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Loans	-	-	75,056.03	75,056.03
Investments	559.91	-	-	559.91
Total	559.91	-	75,056.03	75,615.93
Financial Liabilities				
Debt Securities	-	-	2,545.50	2,545.50
Borrowings (Other than Debt Securities)	-	-	70,351.38	70,351.38
Subordinated Liabilities	-	-	1,507.82	1,507.82
Total	-	-	74,404.70	74,404.70
Fair value measurement hierarchy of assets & liabilities as at March 31, 2021				
(₹ In Lakhs)				
Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Loans	-	-	56,333.28	56,333.28
Investments	5,515.89	-	-	5,515.89
Total	5,515.89	-	56,333.28	61,849.17
Financial Liabilities				
Debt Securities	-	-	5,180.99	5,180.99
Borrowings (Other than Debt Securities)	-	-	49,747.99	49,747.99
Subordinated Liabilities	-	-	1,520.21	1,520.21
Total	-	-	56,449.19	56,449.19
Fair value measurement hierarchy of assets & liabilities as at April 1, 2020				
(₹ In Lakhs)				
Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Loans	-	-	57,388.63	57,388.63
Investments	100.00	-	-	100.00
Total	100.00	-	57,388.63	57,488.63
Financial Liabilities				
Debt Securities	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	47,708.72	47,708.72
Subordinated Liabilities	-	-	1,520.21	1,520.21
Total	-	-	49,228.93	49,228.93
(a) Financial Instruments by category				
(₹ In Lakhs)				
Particulars	As at 31st March 2022			
	Level	Carrying Value	Fair Value	
Financial Assets at Amortised Cost				
Loans	3	75,056.03	75,056.03	
Financial Assets at Fair Value through Profit and Loss				
Investments	1	559.91	559.91	
Financial Liabilities at Amortised Cost				
Debt Securities	3	2,545.50	2,545.50	
Borrowings	3	70,351.38	70,351.38	
Subordinated Liabilities	3	1,507.82	1,507.82	
(₹ In Lakhs)				
Particulars	As at 31st March 2021			
	Level	Carrying Value	Fair Value	
Financial Assets at Amortised Cost				
Loans	3	56,333.28	56,333.28	
Financial Assets at Fair Value through Profit and Loss				
Investments	1	5,515.89	5,515.89	
Financial Liabilities at Amortised Cost				
Debt Securities	3	5,180.99	5,180.99	
Borrowings	3	49,747.99	49,747.99	
Subordinated Liabilities	3	1,520.21	1,520.21	

(₹ In Lakhs)			
Particulars	As at 1st April 2020		
	Level	Carrying Value	Fair Value
Financial Assets at Amortised Cost			
Loans	3	57,388.63	57,388.63
Financial Assets at Fair Value through Profit and Loss			
Investments	1	100.00	100.00
Financial Liabilities at Amortised Cost			
Debt Securities	3	-	-
Borrowings	3	47,708.72	47,708.72
Subordinated Liabilities	3	1,520.21	1,520.21

44 Transfer of Financial Assets

Transferred financial assets that are not derecognized in their entirety

Securitisation:

During the year, the Company has not transferred any of its receivables through securitisation agreement with a first loss default guarantee (FLDC). The company has also agreed to provide servicing assistance to the transferee pursuant to the terms of servicing agreement.

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109. Financial Instrument prospectively for transactions occurring on or after the date of transition to Ind ASs.

As per Ind AS exemption, the Corporation has not reassessed the securitisation transactions entered before the transition date and the same is continued to be derecognised.

Assignment Deal:

After date of transition to Ind AS i.e 1st April 2020, the Company has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan, the Company business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition

(₹ in lakhs)		
Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Carrying value of derecognised financial asset	23,100.72	12,327.01
Gain from derecognition	4,082.42	1,987.64
Total	27,183.14	14,314.64

45 The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company,

46 There are no Loans that have been granted to Promoter, Director, KMP or other Related Parties (as defined in Companies Act 2013)

47 There are no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

48 The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are not in agreement with the books of accounts and summary of reconciliation thereof is disclosed below :-

Particulars	Apr 2021 to June 2021 (Q1)	July 2021 to Sept 2021 (Q2)	Oct 2021 to Dec 2021 (Q3)	Jan 2022 to Mar 2022 (Q4)
Balance as per Statement filed with Bank/Financial Institution	50,446.11	39,708.43	44,902.60	70,818.46
Less : Back dated input	0.09	-	-	0.00
Less : Member Reject	-	-	-	4.77
Less : Death Case	2.95	-	-	0.57
Balance as per Books of Accounts	50,443.07	39,708.43	44,902.60	70,813.13

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

50. The company has no transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956,

51. Company has registered all the charges or satisfaction thereof with ROC within the statutory period

52. The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

53. Ratios

Particulars	As at 31st March 2022	As at 31st March 2021	As at 01st April 2020
(a) Capital to risk weighted asset ratio (CRAR)	24.64%	25.83%	15.73%
(b) Tier I CRAR	18,383.73	14,688.35	8,380.88
(c) Tier II CRAR	2,816.13	1,966.99	1,534.66
(d) Liquidity Coverage Ratio	1.42	1.46	1.77

54. There is no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013

55. a) 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, 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) No funds 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, 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

56. The Company has not entered into any transactions 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 Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme.

57. The Company has not traded nor invested in Crypto currency or Virtual Currency during the financial year.

58. Standards issued but not effective

The amendments to Standards that are issued, but not yet effective up to the date of issuance of company's financials statements are disclosed below. The company intends to adopt these standards, if applicable, as and when the became effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, Through Companies (Indian Accounting Standards) Amendment Rules, 2022 on 23rd March, 2022.

1. Ind AS 101 - First Time adoption of Ind AS
2. Ind AS 103 - Business Combinations
3. Ind AS 109 - Financial Instruments
4. Ind AS 16 - Property, Plant and Equipment
5. Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets
6. Ind AS 41 - Agriculture

These amendments shall come into force with effect from April 01, 2022

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date



Digamber Capfin Limited

Notes Forming Part of Standalone Financial Statements for the year ended 31st March 2022

59. Details of Dues to Micro and Small Enterprises as Defined under the MSMED Act, 2006

Payment against the supplies from the undertakings covered under the Micro, Small & Medium Enterprises Development Act, 2006 are generally made in accordance with the agreed credit terms. On the basis of information and record available with the management, the details of the outstanding balances of such suppliers and interest due on such accounts as on March 31, 2022 is ₹ 6.79 lakhs. (as on March 31, 2021 is Nil). The Company has neither paid any interest nor such amount is payable to buyer covered under the MSMED Act, 2006.

60. Details Of Ratings Assigned By Credit Rating Agencies and Migration Of Ratings During The Year

Particulars	Rating Agencies	Date of Rating Agencies	Rating valid upto	2021-22	2020-21	2019-20
Cash Credit and Term Loan Rating	Brickwork Ratings India Private Limited	Feb. 18, 2020	Feb. 18, 2021			BBB+
Bank Facilities	Brickwork Ratings India Private Limited	Nov. 6, 2020	Nov. 06, 2021		BBB+	
Non-Convertible Debentures	Brickwork Ratings India Private Limited	Nov. 06, 2020	Nov. 06, 2021		BBB+	
Bank Facilities	Brickwork Ratings India Private Limited	Sept. 08, 2021	Sept. 08, 2022	BBB+		
Bank Facilities	Brickwork Ratings India Private Limited	Feb. 28, 2022	Feb. 28, 2023	BBB+		
Non-Convertible Debentures	Brickwork Ratings India Private Limited	March 02, 2022	March 02, 2023	BBB+		

61. Disclosure on Liquidity Risk:

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

Particulars	Number of Significant Counterparties	Amount (₹ In Lakhs)	% of Total deposits	% of Total Liabilities
As at March 31, 2022	30	74,404.70	0%	96.31%
As at March 31, 2021	31	56,449.19	0%	89.63%
As at April 01, 2020	28	49,228.93	0%	80.84%

2. Top 20 large deposits (amount in ₹ lakhs and % of total deposits) : Not applicable

3. Top 10 borrowings (amount in ₹ lakhs and % of total borrowings)

Particulars	Amount (₹ in Lakh)	%
As at March 31, 2022	53,011.61	71.25%
As at March 31, 2021	38,427.12	68.07%
As at April 01, 2020	36,628.92	74.41%

4. Funding Concentration based on significant instrument/product :

Name of the instrument/ product	As at March 31, 2022		As at March 31, 2021		As at April 01, 2020	
	Amount (₹ lakh)	% of Total Liabilities	Amount (₹ lakh)	% of Total Liabilities	Amount (₹ lakh)	% of Total Liabilities
a) Term Loan	70,351.38	91.07%	46,194.98	73.35%	44,087.46	72.40%
b) Non-Convertible Debenture	2,545.50	3.29%	5,180.99	8.23%	-	0.00%
c) Optionally Convertible Preference Shares	-	0.00%	150.00	0.24%	300.00	0.49%
d) Cash Credit	-	0.00%	3,403.02	5.40%	3,321.25	5.45%
e) Subordinated Liabilities	1,507.82	1.95%	1,520.21	2.41%	1,520.21	2.50%
Total	74,404.70	96.31%	56,449.19	89.63%	49,228.93	80.84%

5. Stock Ratios:

Particulars	As at March 31, 2022			As at March 31, 2021			As at 01st April 2020		
	% of total public funds	% of total liabilities	% of total assets	% of total public funds	% of total liabilities	% of total assets	% of total public funds	% of total liabilities	% of total assets
a) Commercial papers	-	-	-	-	-	-	-	-	-
b) Non-convertible debentures (original maturity of less than one year)	-	-	-	4.67%	4.19%	3.36%	-	-	-
c) Other short-term liabilities, if any	2.98%	2.87%	2.28%	5.71%	5.12%	4.11%	12.43%	10.05%	8.59%

6. Digamber Capfin Limited (DCL) has an Assets Liability Supervisory Committee (ALCO), a Board level sub-Committee to oversee liquidity risk management. ALCO consists of Managing Director, Executive Director and Chief Financial Officer. The ALCO Meetings are held once in 3 months. DCL has a Risk Management Committee (RMC) a sub-committee of the Board, which oversee overall risks to which the company's exposed including risk management. The ALCO and RMC also updates the Board at regular intervals.

62. Capital Adequacy Ratio

Particulars	As at 31st March 2022	As at 31st March 2021	As at 01st April 2020
Tangible Net worth(1)	19,672.05	15,468.16	10,371.88
Less: Deferred Tax Asset and Intangible Assets	(9.30)	(12.15)	-
Less: Unrelaised gain on sold portfolios	(1,279.02)	(767.66)	(1,991.00)
Tier 1 Capital (1-2)= (3)	18,383.73	14,688.35	8,380.88
Tier 2 Capital (Provision on Asset and discounted subordinated liabilities) (4)	2,816.13	1,966.99	1,534.66
Total Capital Fund (3+4)= (5)	21,199.86	16,655.34	9,915.54
Adjusted value of funded risk assets (on balance sheet item) (6)	86,051.87	64,470.21	63,038.11
Adjusted value of non-funded risk assets (off Balance sheet item) (7)	-	-	-
Total Risk Weighted assets (6+7)= (8)	86,051.87	64,470.21	63,038.11
CRAR/CAR(5/8)	24.64%	25.83%	15.73%

63. Provision and Contengencies (Show under the head expenditure in statement of Profit and Loss)

Particulars	As at 31st March 2022	As at 31st March 2021
Impairment on financial instruments	1,299.14	882.33
Provision for Tax	1,015.09	1,022.46
Provision for Gratuity	51.83	26.57
Provision for Expenses	95.63	4.55
Total	2,461.69	1,935.92

64. NPA Movement

Particulars	As at 31st March 2022	As at 31st March 2021
Net NPA's to Net Advance %*	0.90%	2.44%
Movement of NPAs (Gross)		
Opening Balances - Overdue	1,816.75	27.45
Opening Balances - Not overdue	731.19	71.68
Add: Additions during year and change in existing - Overdue	3,380.06	2,774.37
Add: Additions during year and change in existing - Not overdue	1,545.51	1,022.60
Less: Reductions during year - Overdue	(2,361.36)	(985.07)
Less: Reductions during year - Not overdue	(197.67)	(363.09)
Closing Balance - Overdue	2,835.45	1,816.75
Closing Balance - Not overdue	2,079.04	731.19
Movement of NPAs (Net)		
Opening Balances - Overdue	1,500.24	21.89
Opening Balances - Not overdue	603.80	56.10
Add: Additions during year and change in existing - Overdue	2,413.05	2,463.43
Add: Additions during year and change in existing - Not overdue	793.87	910.79
Less: Reductions during year - Overdue	(2,361.36)	(985.07)
Less: Reductions during year - Not overdue	(197.67)	(363.09)
Closing Balance - Overdue	1,551.94	1,500.24
Closing Balance - Not overdue	1,200.00	603.80
Movement of provision for NPAs		
Opening Balances - Overdue	316.51	5.56
Opening Balances - Not overdue	127.39	15.58
Provision made during the year - Overdue	967.00	310.95
Provision made during the year - Not overdue	751.65	111.81
Write-off/Write back of excess	-	-
Closing Balance - Overdue	1,283.51	316.51
Closing Balance - Not overdue	879.03	127.39
*Ratio calculated is based on overdue portion of advances only.		

**65. Disclosure in the notes to accounts in respect of securitisation transactions as required under revised guidelines On securitisation transactions issued by RBI vide circular no. RBI/DOR/2021-22/85
DOR.STR.REC.53/21.04.177/2021-22**

Particulars	As at 31st March 2022	As at 31st March 2021
No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	1.00	4.00
Total amount of securitised assets as per books of the SPEs	946.83	5,537.61
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		
• Others	344.87	2,042.06
Amount of exposures to securitization transactions other than MRR (FD)		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
• First loss		
• Others		
ii) Exposure to third party securitisations		
• First loss		
• Others		
b) On-balance sheet exposures		
i) Exposure to own securitisations		
• First loss		
• Others	165.54	1,313.61
ii) Exposure to third party securitisations		
• First loss		
• Others		
Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	2,414.14	16,444.96
Form and quantum (outstanding value) of services provided by way of, liquidity support		
(a) liquidity support	-	-
Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		

Credit enhancement		
(a) Amount paid	-	-
(b) Repayment received	-	-
(C) Outstanding amount	165.54	1,313.61
liquidity support (bank part)		
(a) Amount paid	2,414.14	16,444.96
(b) Repayment received	1,929.40	13,403.04
(C) Outstanding amount	484.74	3,041.92
servicing agent (total Portfolio)		
(a) Amount paid	2,759.02	18,487.02
(b) Repayment received	1,812.19	12,949.40
(C) Outstanding amount	946.83	5,537.62
Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	3.06%	7.19%
Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

66. Disclosures pursuant to RBI Notification - RBI /DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021

Particulars	As at 31st March 2022	As at 31st March 2021
Number of Loan Accounts assigned	58,965	37,470
Amount of Loan Accounts assigned (Rs. In 'Lakhs')*	25,853.90	13,783.50
Number of Transactions	3	1
Weighted Average Maturity (Remaining) (Months)	25.04	22.47
Weighted Average Holding (After Origination) (Months)	8.94	8.77
Retention of Beneficial Economic Interest (MRR)	10.00%	10.00%
Coverage of Tangible Security Coverage	NA	NA
Rating wise Distribution of rated Loans	Unrated	Unrated
to replace the transferred loans	NA	NA
No of Transferred Loans Replaced	NA	NA

67. (A). Sector -wise NPA*

Particular	2021-22	2020-21
Agriculture & allied activities	2.37%	1.98%
Small Business	1.29%	1.19%
Social Infrastructure	0.00%	0.00%
Total	3.66%	3.17%

*Ratio calculated is based on overdue portion of advances only.

67. (B). Detail of Impairment Loss Allowance Reserve

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
Performing Assets						
Standard	Stage I - Overdue	278.45	1.56	276.88	-	69.30
	Stage I - Not Overdue	68,132.68	67.74	68,064.94	-	-
	Stage II - Overdue	1,036.59	21.59	1,015.00	-	84.28
	Stage II - Not Overdue	3,009.95	62.69	2,947.26	-	-
Subtotal		72,457.67	153.58	72,304.08	-	153.58
Non-Performing Assets (NPA)						
Substandard	Stage III - Overdue	1,296.47	426.77	869.70	446.59	382.91
	Stage III - Not Overdue	1,223.45	402.73	820.72	-	-
Doubtful	Stage III - Overdue	1,538.98	856.74	682.24	930.25	402.79
	Stage III - Not Overdue	855.59	476.30	379.29	-	-
Subtotal for NPA		4,914.49	2,162.55	2,751.94	1,376.84	785.70
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 I	-	-	-	-	-
	Stage II	-	-	-	-	-
	Stage III	-	-	-	-	-
Subtotal		-	-	-	-	-
Total						
	Stage I - Overdue	278.45	1.56	276.88	-	69.30
	Stage I - Not overdue	68,132.68	67.74	68,064.94	-	-
	Stage II - Overdue	1,036.59	21.59	1,015.00	-	84.28
	Stage II - Not overdue	3,009.95	62.69	2,947.26	-	-
	Stage III - Overdue	2,835.45	1,283.51	1,551.94	1,376.84	785.70
	Stage III - Not overdue	2,079.04	879.03	1,200.00	-	-
Total		77,372.16	2,316.13	75,056.03	1,376.84	939.29

(B) 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
Performing Assets						
Standard	Stage I - Overdue	821.31	5.51	815.79	135.41	219.38
	Stage I - Not Overdue	52,046.00	349.28	51,696.72		
	Stage II - Overdue	1,611.62	181.82	1,429.80	153.50	64.80
	Stage II - Not Overdue	323.41	36.49	286.93		
Subtotal		54,802.33	573.10	54,229.24	288.91	284.18
Non-Performing Assets (NPA)						
Substandard	Stage III - Overdue	1,219.93	212.53	1,007.40	411.42	(123.38)
	Stage III - Not Overdue	433.41	75.51	357.90		
Doubtful	Stage III - Overdue	596.82	103.98	492.84	282.67	(126.82)
	Stage III - Not Overdue	297.78	51.88	245.90		
Subtotal for NPA		2,547.94	443.90	2,104.05	694.09	(250.19)
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 I	-	-	-	-	
	Stage II	-	-	-	-	
	Stage III	-	-	-	-	
	Subtotal	-	-	-	-	-
Total						
Total	Stage I - Overdue	821.31	5.51	815.79	135.41	(129.90)
	Stage I - Not overdue	52,046.00	349.28	51,696.72		
	Stage II - Overdue	1,611.62	181.82	1,429.80	153.50	28.32
	Stage II - Not overdue	323.41	36.49	286.93		
	Stage III - Overdue	1,816.75	316.51	1,500.24	694.09	(377.58)
	Stage III - Not overdue	731.19	127.39	603.80		
	Total	57,350.28	1,016.99	56,333.28	983.00	33.99

(C) As at 31st March 2020

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
Performing Assets						
Standard	Stage I - Overdue	24.51	0.05	24.46	96.75	12.63
	Stage I - Not Overdue	57,364.13	109.33	57,254.80		
	Stage II - Overdue	24.83	2.89	21.94	109.67	(105.54)
	Stage II - Not Overdue	10.70	1.24	9.45		
Subtotal		57,424.16	113.52	57,310.65	206.42	(92.90)
Non-Performing Assets (NPA)						
Substandard	Stage III - Overdue	14.93	2.76	12.17	293.94	(288.96)
	Stage III - Not Overdue	12.05	2.23	9.83		
Doubtful	Stage III - Overdue	12.52	2.81	9.72	201.96	(185.80)
	Stage III - Not Overdue	59.62	13.35	46.27		
Subtotal for NPA		99.13	21.14	77.99	495.90	(474.76)
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 I	-	-	-	-	-
	Stage II	-	-	-	-	-
	Stage III	-	-	-	-	-
Subtotal		-	-	-	-	-
Total						
Total	Stage I - Overdue	24.51	0.05	24.46	96.75	(96.70)
	Stage I - Not overdue	57,364.13	109.33	57,254.80		
	Stage II - Overdue	24.83	2.89	21.94	109.67	(106.78)
	Stage II - Not overdue	10.70	1.24	9.45		
	Stage III - Overdue	27.45	5.56	21.89	495.90	(490.34)
	Stage III - Not overdue	71.68	15.58	56.10		
Total		57,523.29	134.66	57,388.63	702.32	(567.66)

68 Details of penalties imposed by RBI and other regulators:

No penalties have been imposed by RBI and other regulators on the Company during the current and previous year.

69. Schedule to the balance sheet of a Non-Deposit Taking Non-Banking Financial Company (as required in terms of paragraph 19 of Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016:

Particulars	Amount outstanding	Amount overdue
Liabilities side		
1. Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :		
a) Debentures (other than falling within the meaning of public deposits*)		
: Secured	2,545.50	-
: Unsecured	-	-
b) Deferred Credits	-	-
c) Term Loans	70,351.38	-
d) Inter-corporate loans and borrowing	-	-
e) Commercial Paper	-	-
f) Public Deposits	-	-
g) Subordinated Liabilities	1,507.82	
g) Other Loans (specify nature)	-	-
(Unsecured Loan from Director & Relatives)		
2. Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid :		
a) In the form of Unsecured debentures	-	-
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of Security	-	-
c) Other public deposits	-	-

Assets side	Amount outstanding
3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
a) Secured	-
b) Unsecured	75,056.03
4. Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities	
(i) Lease assets including lease rentals under sundry debtors :	-
a) Financial lease	-
b) Operating lease	-
(ii) Stock on hire including hire charges under sundry debtors :	-
a) Assets on hire	-
b) Repossessed Assets	-
(iii) Other loans counting towards asset financing activities	-
a) Assets on hire	-
b) Repossessed Assets	-

5. Break-up of Investments	
Current Investments	
1. Quoted	-
(i) Shares	-
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	559.91
(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) Others (please specify)	-
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 (please specify)	-
2. Unquoted	-
(i) Shares	-
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-

6. Borrower group-wise classification of assets financed as in (3) and (4) above :

Category	Amount (Net of Provisions)		
	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related parties	-	-	-
2. Other than Related Parties	-	75,056.03	75,056.03
Total	-	75,056.03	75,056.03

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

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
a) Subsidiaries	-	-
b) Companies in the same group	-	-
c) Other related parties	-	-
2. Other than Related Parties	559.91	559.91
Total	559.91	559.91

8. Other Information

Particulars	Amount
i) Gross Non Performing Assets	
a) Related Parties	-
b) Other than Related Parties	4,914.49
ii) Net Non Performing Assets	
a) Related Parties	-
b) Other than Related Parties	2,751.94
iii) Assets acquired in satisfaction of debt	-

70. Disclosure as required under RBI notification no.RBI/2020-21/16/DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6,2020 on "Resolution Framework for COVID-19-related Stress":

Type of borrower (A)	No. Of Loans as on 01st April 2021	(A) Exposure to Account Classified as Standard asset consequent to the implementation of resolution plan - Position as on 01st April 2021	(B) Of (A), aggregate debt that slipped into NPA during the year ended 31st March 2022	(C) Of (A), amount written off during the year ended 31st March 2022#	(D) Of (A), amount paid by the borrower during the year ended 31st March 2022^	No. Of Loans as on 31st March 2022	(E) Exposure to Account Classified as Standard asset consequent to the implementation of resolution plan - Position as on 31st March 2022
Personal Loans (IML)	156.00	44.56	1.82	0.68	40.50	17.00	1.56
Corporate persons*		-	-	-	-		-
Of which, MSMEs		-	-	-	-		-
Joint Liability Group	18,171.00	3,018.64	57.48	125.27	2,562.07	4,920.00	273.81
Total	18,327.00	3,063.20	59.30	125.95	2,602.57	4,937.00	275.38

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

71. NET INTEREST MARGIN

Particulars	For the Year Ended		
	March 31, 2022	March 31, 2021	March 31, 2020
Average interest (a)	21.75%	23.00%	24.63%
Average effective cost of borrowing (b)	13.97%	15.37%	14.89%
NET INTEREST MARGIN (a-b)	7.78%	7.63%	9.74%

72. Disclosure as required under RBI notification no.RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6,2020 on "Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances

No. of accounts restructured	Amount (₹ in Lakhs)
-	-

73. Exposure to Capital Market

The Company has no exposure to capital market as on March 31, 2022, March 31, 2021 and April 01, 2020

74. Exposure to Real Estate Sector

The Company has no exposure to real estate sector as on March 31, 2022, March 31, 2021 and April 01, 2020

75. Derivatives

- a) The Company has not dealt in any market linked or non market linked derivative
- b) The Company has not entered into any forward Rate Agreement / Interest Rate Swap for derivative
- c) The Company has not entered into any exchange traded derivative

76. Details of financial assets sold to securitization / reconstruction Company for asset reconstruction

"The Company has not sold any financial assets to securitization / reconstruction Company during the financial year ended March 31, 2022 and March 31, 2021"

77. Details of assignment transactions

Particulars	As at March 31, 2022	As at March 31, 2021
i) No. of Accounts	58,965	37,470
ii) Aggregate value (net of provisions) of accounts sold	23,100.72	12,327.01
iii) Aggregate consideration	23,268.51	12,405.15
iv) Aggregate gain / loss over net book value	167.79	78.14

78. The Company has not purchased and sold any non-performing financial assets during the financial year ended March 31, 2022 , March 31, 2021 and April 01, 2020

79. ASSET LIABILITY MANAGEMENT (ALM)

As on 31st March , 2022

(Rs in Lacs)									
Particulars	1 to 7 Days	Over 14 days to 1 month	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month upto 6 month	Over 6 Month upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years
Asset									
Advances	137.73	2,314.80	3,009.26	3,047.80	8,948.80	17,343.34	37,558.72	-	2,282.40
Fixed Asset/ Intangible asset	-	-	-	-	-	-	-	-	3,439.04
Cash and Bank including Investments	2,490.53	1,035.53	129.17	190.14	749.98	1,631.79	3,065.69	605.13	0.54
EIS Asset	-	-	856.65	842.19	716.32	1,008.31	563.86	-	-
Other Assets	67.11	18.48	1.13	-	749.84	9.96	-	-	70.02
Total	2,695.37	3,368.81	3,996.21	4,080.13	11,164.94	19,993.40	41,188.27	605.13	5,792.00
Liabilities									
Borrowings	1,149.19	1,350.62	3,049.44	2,939.49	8,328.05	15,198.86	40,295.99	1,724.57	0.54
Other Liabilities	100.47	95.63	8.10	-	-	2,013.80	-	-	453.87
Reserves and Surplus	-	-	-	-	-	-	-	-	18,684.36
Equity Share Capital	-	-	-	-	-	-	-	-	987.69
Total	1,249.66	1,446.25	3,057.54	2,939.49	8,328.05	17,212.66	40,295.99	1,724.57	20,126.46
Surplus/(Deficit)	1,445.71	1,922.56	938.67	1,140.64	2,836.89	2,780.74	892.28	(1,119.44)	(14,334.46)
Cumulative Surplus/(Deficit)	1,445.71	6,864.68	7,803.35	8,943.99	11,780.88	14,561.62	15,453.90	14,334.46	-

As on 31st March, 2021									
Particulars	1 to 7 Days	Over 14 days to 1 month	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month upto 6 month	Over 6 Month upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	(Rs in Lacs)
Asset									
Advances	485.79	2,005.41	2,605.02	2,582.13	7,142.76	16,659.79	22,438.01	-	1,820.03
Fixed Asset/ Intangible asset	-	-	-	-	-	-	-	-	3,343.27
Cash and Bank including Investments	89.50	2,400.00	5,018.77	193.28	836.96	1,497.26	3,154.52	1,067.78	20.00
EIS Asset	-	-	774.28	565.52	454.80	560.24	403.81	-	-
Other Assets	65.91	26.20	108.76	201.97	164.09	182.23	-	-	66.51
Total	641.20	4,431.61	8,506.83	3,542.90	8,598.61	18,899.52	25,996.34	1,067.78	5,249.81
Liabilities									
Borrowings	422.05	1,425.10	2,111.93	2,278.17	6,327.44	14,392.21	24,919.10	3,358.51	115.85
Other Liabilities	118.26	4.55	4.06	299.46	24.97	3,044.10	1,980.17	-	1,023.91
Reserves and Surplus	-	-	-	-	-	-	-	-	14,480.47
Equity Share Capital	-	-	-	-	-	-	-	-	987.69
Total	540.31	1,429.65	2,115.99	2,577.63	6,352.41	17,436.31	26,899.27	3,358.51	16,607.92
Surplus/(Deficit)	100.89	3,001.96	6,390.84	965.27	2,246.20	1,463.21	(902.93)	(2,290.73)	(11,358.11)
Cumulative Surplus/(Deficit)	100.89	3,486.26	9,877.10	10,842.37	13,088.57	14,551.78	13,648.85	11,358.12	-

As on 01st April, 2020									
(Rs in Lacs)									
Particulars	1 to 7 Days	Over 14 days to 1 month	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month upto 6 month	Over 6 Month upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years
Asset									
Advances	-	119.65	569.57	2,888.26	13,365.05	22,055.96	18,341.65	32.16	16.33
Fixed Asset/ Intangible asset	-	-	-	-	-	-	-	-	968.01
Cash and Bank including Investments	-	2,229.91	17.67	35.16	321.26	1,322.60	4,130.96	562.27	-
EIS Asset	-	-	254.65	548.96	447.00	571.81	168.57		
Other Assets	-	904.32	2.86	2.86	1,346.94	-	-	-	45.00
Total	-	3,253.88	844.75	3,475.24	15,480.25	23,950.37	22,641.18	594.43	1,029.34
Liabilities									
Borrowings	-	286.81	235.58	2,000.16	5,982.98	12,320.45	24,345.72	4,045.37	11.85
Other Liabilities	138.11	8.94	4.78	-	27.00	5,863.92	5,024.28	-	515.21
Reserves and Surplus									9,384.19
Equity Share Capital									987.69
Total	138.11	295.75	240.36	2,000.16	6,009.98	18,184.37	29,370.00	4,045.37	10,898.94
Surplus/(Deficit)	(138.11)	2,958.13	604.39	1,475.08	9,470.27	5,766.00	(6,728.82)	(3,450.94)	(9,869.60)
Cumulative Surplus/(Deficit)	(138.11)	2,733.63	3,338.02	4,813.10	14,283.37	20,049.37	13,320.55	9,869.60	-

80. There is no financing of parent Company products during the year ended on March 31, 2022 , March 31, 2021 and April 01, 2020

81. The Company has not exceeded the single borrower limits/group borrowers limits during the financial year ended March 31, 2022 , March 31, 2021 and April 01, 2020 as set by RBI

82. "The Company has not given any unsecured advances against intangible securities such as charge over the rights licenses, authority, etc. during the financial year ended March 31, 2022 , March 31, 2021 and April 01, 2020."

83. The Company is not registered under any other regulator other than Reserve Bank of India

84. Remuneration of non-executive directors

		(Rs. In Lacs)
Name of Director	Nature of P.	As at March 31, 2021
Mr. Jatin Chhabra	Sitting Fees	1.28
Dharmendra Saxena	Sitting Fees	0.44
Lalit Kumar Jain	Sitting Fees	1.33
Nayan Ambali	Sitting Fees	0.89
Amita Gill	Sitting Fees	0.06

85. Overseas assets (for those with joint ventures and subsidiaries abroad)

There are no overseas assets owned by the Company.

86. Off-balance sheet SPVs sponsored

There are no SPVs which are required to be consolidated as per accounting norms during the year ended March 31, 2022, March 31, 2021 and April 01, 2020

87.

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
No. of complaints pending at the beginning of the year	-	-	-
No. of complaints received during the year	77	1	2
No. of complaints redressed during the year	77	1	2
No. of complaints pending at the end of the year	-	-	-

88. Instances of fraud

For the year ended 31st March, 2022				(Rs in Lacs)
Nature of Fraud	No. of cases	Amount of Fraud	Recovery	Amount Provided
Cash Embezzlement	1	2.96	-	2.96
For the year ended 31st March, 2021				(Rs in Lacs)
Nature of Fraud	No. of cases	Amount of Fraud	Recovery	Amount Provided
Robbery	3	1.42	(1.25)	0.17

89. Additional notes

a) Earnings in foreign currency during the year ended March 31, 2022: Nil (year ended March 31, 2021 - Nil, year ended April 01, 2020 - Nil)

b) Expenditure in foreign currency on account of professional fees during the year ended March 31, 2022: Nil (year ended March 31, 2021 - Nil, year ended April 01, 2020 - Nil)

c) Expenditure in foreign currency on account of payment of interest during the year ended March 31, 2022: Nil (year ended March 31, 2021 - Nil, year ended April 01, 2020 - Nil)

90. Draw Down from Reserves

No reserves have been draw down during the financial year 2021-22 and 2020-21 except as disclosed in the part (b) of statement of changes in equity

91. Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification/disclosure.

In terms of our report of even date

For and on behalf of the Board.

For KALANI & CO.
Chartered Accountants
(Firm Reg. no. 000722C)

-sd-
Rajiv Jain
Chairman and Managing Director
(DIN - 00416121)

-sd-
Neha Agarwal
Company Secretary
(PAN - ARAPA6810B)

-sd-
Gaurav Rawat
Partner
M.No. 412724

-sd-
Amit Jain
Whole Time Director & Chief Financial Officer
DIN:00416133

Date: 26th May 2022

Place: Jaipur

UDIN: 22412724AJQRQD9859

NOTICE OF TWENTY SEVENTH (27TH) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT TWENTY-SEVENTH (27TH) ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF DIGAMBER CAPFIN LIMITED ("THE COMPANY") WILL BE HELD ON FRIDAY, 30TH DAY OF SEPTEMBER, 2022, AT 11:30 A.M. (IST) THROUGH PHYSICAL AT REGISTERED OFFICE OF THE COMPANY SITUATED AT J-54,55, IIND FLOOR, ANAND MOTI, NEAR TOYOTA SHOWROOM, TONK ROAD, JAIPUR-302018, RAJASTHAN/ VIDEO CONFERENCING (VC) / OTHER AUDIO VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the financial year ended 31st March 2022, along with the report of Board of Directors and Auditors along with all annexure thereon:

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

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2022 comprising of the Audited Balance Sheet as at 31st March, 2022, the Statement of Profit & Loss and Cash Flow Statement and Statement for change in the equity share capital for the year ended as on 31st March, 2022, together with accounting policies, schedules and notes forming part of the accounts thereon and the Reports of the Board of Directors and Auditors thereon along with all annexure as laid before this Annual General Meeting be and are hereby approved and adopted."

2. To re-appoint Mr. Amit Jain (DIN:00416133), as Director of the Company who is liable to retire by rotation and being eligible, offer himself for re-appointment:

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

"RESOLVED THAT pursuant to the provisions of the Section 152(6) of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, **Mr. Amit Jain (DIN:00416133), as Director** of the Company, who is liable to retire by rotation and being eligible offer himself for re-appointment, be and is hereby appointed as Director of the Company liable to retire by rotation."

SPECIAL BUSINESS:

3. To Regularize appointment of Mr. Nayan Ambali (DIN:03312980) as Non-Executive Director of the company:

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to recommendation of Nomination and Remuneration committee in its Meeting held on 26th May, 2022, Mr. Nayan Ambali (DIN:03312980) who was appointed as an Additional Non-Executive Director of the company by the Board of Directors in their meeting held on 26th May 2022 to hold office upto the date of this Annual General Meeting of the

company, and pursuant to the recommendation of Nomination & Remuneration Committee and approval of Board of the directors, consent of the members be and is hereby accorded to regularize the appointment of Mr. Nayan Ambali as Non-Executive Director of the Company with immediate effect and he is liable to retire by rotation."

"FURTHER RESOLVED THAT Mr. Nayan Ambali (DIN:03312980) has Signified his consent in the Form DIR-2 to act as a Non-Executive Director of the company and submit his declaration & form DIR-8 for being eligible to be appointed and not disqualify in any criteria as per section 164 of the Companies Act, 2013 as a Non-Executive Director of the company."

"FURTHER RESOLVED THAT Mr. Rajiv Jain, Managing Director or Mr. Amit Jain, Whole Time Director or Ms. Neha Agarwal Company Secretary of the company be and are hereby severally authorised for and on behalf of the company to do or cause to do all acts, matters, deeds and things and to execute all documents and to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the above resolutions and make all such filings as are required under the Companies Act, 2013."

4. To Authorize the Board to borrow monies over and above the paid up share capital and free reserves and securities premium of the company:

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

"RESOLVED THAT pursuant to the provisions of Sections 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in supersession of the earlier Resolution passed by the Members at the 22nd Annual General Meeting of the company held on Thursday, 17th day of August, 2017 consent of the Members be and is hereby accorded to Board of Directors (hereinafter referred as the "Board"), to borrow and raise such sum or sums of monies from time to time as may be required for the purposes of business of the company, together with the money already borrowed by the company in excess of the aggregate of the paid-up capital of the Company and its free reserves and securities premium, subject to the proviso that such borrowing shall not exceed Rs. 30,00,00,00,000/- (Rs. Three Thousand Crore Only) over and above the aggregate of the paid-up capital of the Company and its free reserves and securities premium and shall exclude all the temporary loans obtained from the company's bankers in the ordinary course of its business on such terms and conditions as the Board may consider necessary and expedient in the best interest of the company."

"FURTHER RESOLVED THAT Mr. Rajiv Jain, Managing Director or Mr. Amit Jain, Whole Time Director be and are hereby severally authorised for and on behalf of the company to do or cause to do all acts, matters, deeds and things and to execute all documents and to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the above resolutions and make all such filings as are required under the Companies Act, 2013."

5. To Authorize the Board to create charge/mortgage properties of the company for securing Loan and other Financial Assistance:

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in supersession of the earlier resolution passed by the Members in the 22nd Annual General Meeting of the company held on Thursday, 17th day of August, 2017, the consent of the Members, be and is hereby accorded to the Board of Directors (hereinafter referred as the "Board"), to mortgage(s) and/or charge(s) and/or hypothecation(s)/pledge(s) etc., in addition to the mortgage(s) and/or charge(s) and/or hypothecation(s)/pledge(s) etc. created by the Company, on all or any of the assets of the Company whether, movable or immovable, wherever situated, both present & future or the whole or substantially the whole of the undertaking(s) of the Company in such form & manner and with such ranking and at such time & terms as the Board may think fit in favor of Bank(s), financial institution(s), international lending agencies or any other lending institution(s), person(s), firm(s), trust(s) or bodies corporate, etc. (hereinafter collectively referred to as "Lenders") for securing the borrowings availed/to be availed by the Company and/or any of the Company's holding/Subsidiary/Affiliate/Associate Company/any person(s), firm(s), trust(s) or bodies corporate, etc. by way of Loan(s) (in rupee currency and/or foreign currency) and Securities (comprising partly/fully Convertible Debentures and/or Non-Convertible Debentures and/or securities linked to Ordinary Shares and/or rupee/foreign convertible bonds and/or Bonds with share warrants to be issued by the Company, from time to time, subject to the limits approved u/s. 180 (1) (c) of the Companies Act, 2013, together with interest, additional

interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on pre-payment, all other costs, charges and expenses and all other moneys payable by the Company to the concerned Lenders.”

“FURTHER RESOLVED THAT Mr. Rajiv Jain, Managing Director or Mr. Amit Jain, Whole Time Director or Ms. Neha Agarwal Company Secretary of the company be and are hereby severally authorised for and on behalf of the company to do or cause to do all acts, matters, deeds and things and to execute all documents and to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the above resolutions and make all such filings as are required under the Companies Act, 2013.”

For & on behalf of the Board of Directors of
Digamber Capfin Limited

Date: 06/09/2022
Place: Jaipur

Sd/-

Neha Agarwal
Company Secretary & Compliance Officer
Membership No. A35576

NOTES:

1. In view of the Ministry of Corporate Affairs ("MCA") General Circular No. 20/2020 dated 5th May, 2020, read with General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 02/2021 dated 13th January, 2021, General Circular No. 19/2021 dated 08th December, 2021, General Circular No. 21/2021 dated 14th December, 2021 and General Circular No. 2/2022 dated 05th May, 2022, permitted the holding of Annual General Meeting (AGM) through Video Conferencing (VC) or other Audio Visual Means (OAVM) without the physical presence of the shareholders at a common venue. Accordingly, in compliance with the applicable provisions of the Act read with the said Circulars, the Company has decided to convene its ensuing 27th Annual General Meeting (AGM) through VC / OAVM and the shareholders can attend and participate in the ensuing AGM physically or through VC / OAVM. Shareholders attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum as per section 103 under the said circulars. The deemed venue for AGM shall be the Registered office of the company situated at J-54,55, IInd Floor, Anand Moti, Near Toyota Showroom, Tonk Road, Jaipur-302018, Rajasthan
2. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at this AGM is annexed hereto.
3. A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such a proxy need not be a shareholder of the company. The instrument of proxy in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form (Form MGT-11) is enclosed herewith.
4. A person can act as proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other Member.
5. No person shall be entitled to attend the AGM through VC / OAVM and/or vote as duly authorized representative of a body corporate, unless a certified true copy of the Board Resolution appointing him/her as a duly authorized representative, is provided to the company by post addressed to Digamber Capfin Limited Address J-54,55, IInd Floor, Anand Moti, Near Toyota Showroom, Tonk Road, Jaipur-302018, Rajasthan or sent to the Company Secretary by **e-mail to neha.agarwal@digamberfinance.in** with a cc marked to **compliance@digamberfinance.com** not less than five days before the date of the meeting i.e., 25th day of September 2022.
6. A route map along with prominent landmark for easy location to reach the venue of AGM is annexed with the notice of AGM as per the requirement of secretarial Standard-2 (SS-2) issued by the Institute by the Company Secretaries of India (ICSI) for those members who are willing to attend meeting physically.
7. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication.
8. In case of any queries related to change of address or shares, members may contact to company's RTA CDSL Ventures Limited having registered office address I-202 Deck Level, Tower No. 4 2nd Floor, above Belapur Railway Station, Belapur, Navi Mumbai-400614 by courier or e-mail at **milinds@cdslindia.com** or **satishc@cdslindia.com**
9. PDF copy of the Annual Report is enclosed with the notice unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode, if requested. In case you wish to get a physical copy of the Annual Report, you may send your request to **neha.agarwal@digamberfinance.in** with a cc marked to **compliance@digamberfinance.com** mentioning your folio/DP ID and Client ID. Annual Reports is also available in the financials information section on the website of the company at **<https://www.digamberfinance.com/financial-information/>**
10. Any query relating to financial statements must be sent to **neha.agarwal@digamberfinance.in** with a cc marked to **compliance@digamberfinance.com** at least seven days before the date of the Meeting.
11. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialization, which include easy liquidity, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

12. Members who still hold share certificates in physical form can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the company. Blank forms will be supplied on request of the shareholders.

13. In case of any queries/ grievances connected with the AGM through VC / OAVM means, you may contact to Ms. Neha Agarwal, Company Secretary of the company at the designated mail id: neha.agarwal@digamberfinance.in with cc marked to compliance@digamberfinance.com or at mobile no. +91 7610053021.

14. Shareholders may join the AGM of the company through VC/OAVM facility, by following the procedure as mentioned in the Notice, which shall be kept open for them at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.

15. Shareholders may also note that the Notice of the AGM is also being made available on the company's website <https://www.digamberfinance.com/corporate-governance/> and statutory registers are will be available for inspection by the member at the time of meeting. Any member seeking to inspect such registers can send their request to us at e-mail id neha.agarwal@digamberfinance.in with cc marked to compliance@digamberfinance.com

16. Procedure for Joining the AGM through VC / OAVM:-

Members will be provided with a facility to attend the AGM through VC / OAVM. The link for VC / OAVM is <https://meet.goto.com/digamberfinance/annual-general-meeting>

Please download and install the go to meeting application in your Laptop/computer with this link <https://meet.goto.com/installand> after installation just paste the said link on the joining tab and join the AGM.

After clicking on the link, a dialogue box will appear stating "Type your name here"

After entering the personal details, please click on "Next Button" and join the meeting

The pre-requisites for attending the Meeting are as follows:

Desktop / Laptop with webcam, microphone and pre-installed 'Go to Meeting' Application, Earphones / headphones and Strong internet connectivity.

Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

For & on behalf of the Board of Directors of
Digamber Capfin Limited

Date: 06/09/2022
Place: Jaipur

Sd/-

Neha Agarwal
Company Secretary & Compliance Officer
Membership No. A35576

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO. 3**

As per the provisions of section 152 and 161 of the Companies Act, 2013, the Board of Directors of the company had appointed Mr. Nayan Ambali (DIN:03312980) as an additional Non-Executive director of the Company in their meeting held on 26th May, 2022 and his appointment was effective from May 27, 2022 up to the date of this Annual General Meeting and is eligible for appointment as Director.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of his performance, has recommended to Board regularisation of Mr. Nayan Ambali as the director of the Company and on that basis the Board of directors proposed his regularisation as Director in forthcoming Annual General Meeting of the company.

In respect of that, Company has received from Mr. Nayan Ambali, consent and declaration in form DIR 2 & DIR 8 as per provisions of the Companies Act 2013.

BRIEF PROFILE OF MR. NAYAN AMBALI IS AS FOLLOWS:

Mr. Nayan Ambali Nayan earned a bachelor's degree in electronics and communication engineering from Visvesvaraya Technology University. He is the co-founder of Conflux Technologies, Rupie Finance and serves on its Board of Directors. Before founding Conflux Technologies Private Limited, December 2010, Nayan Ambali was leading Intuit's health care products and was responsible for product management ensuring identifying potential products features, conducting market research, generating product requirements, determining specs and production timetables.

Prior to working with Intuit, Nayan was key product lead of knowledge portal for Ogilvy & Mather and was responsible for building Truffles; it is knowledge portal and blogging platform for managing all of Ogilvy & Mather's knowledge.

Previous to his work at O&M, Nayan was the SoX compliance consultant to Bank of America and Metlife and responsible for building STI (Straight Through Information) system to make them Sarbanes-Oxley Act compliance.

Mr. Nayan Ambali has more than 12 years' experience in information and technologies industry and also carrying experience of working with industry leaders like Cognizant, BoA, Metlife and Intuit.

Mr. Nayan Ambali has been associated with the company as Independent Director till May 26, 2022 and he resigned from that post with effect from the end of business hour of May 26, 2022.

The other details of Mr. Nayan Ambali as required to be given pursuant to the Secretarial Standard-2 in respect of Item No. 3 of the Notice are as under:

Date of Birth	01/05/1984
Nationality	Indian
Date of Appointment on the Board	27/05/2022
Qualifications	Bachelor's degree in electronics and communication engineering from Visvesvaraya Technological University)
No. of Shares held in the Company Shares	NIL
Number of Board Meeting attended after appointment	1

In the opinion of the Board, Mr. Nayan Ambali fulfills all the conditions specified in the Act and Rules thereunder and is not disqualified under sub-section (2) of section 164 of the Act and his appointment as Non-Executive Director is in the best interest of the Company.

A copy of the draft letter of appointment for Mr. Nayan Ambali as an Non-Executive Director would be available for inspection without any fee by the Members at the Registered office of the Company during normal business hours on any working day.

The Board of Directors of your Company recommends the Ordinary Resolution set out in item no. 3 for approval of the Members.

Except Mr. Nayan Ambali, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

ITEM NO. 4

The provisions of new Companies Act, 2013 contained in section 180 (1) (c) states that the Board of Directors shall not borrow monies where the monies to be borrowed together with the monies already borrowed (other than the temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid Up Capital and Free Reserves and securities premium of the Company, except with the consent of the Company in General meeting by a special resolution.

Considering the above provisions of Companies Act, 2013, it is necessary to obtain the consent of the members, so that the board may borrow the monies as required for time to time for the requirement of business beyond the aggregate of the paid up share capital & free reserves & securities premium. However same has already been approved by the members of the company in the 22nd Annual General Meeting of the company held on Thursday, 17th day of August, 2017 for the amount not exceeding of Rs. 10,00, 00,00,000/- (Rupees One Thousand Crore Only). But after considering continuous growth of company in both financial & operational terms same limit is needed to be enhanced. Hence it is proper that the consent be accorded to the board enabling Company to borrow money, excluding temporary loans obtained from Company's bankers in the ordinary course of business, for an aggregate amount not exceeding Rs. 30,00, 00,00,000/- (Rupees Three Thousand Crore Only). The expression temporary loans for this purpose means loans payable on demand or within six months from date of loan such as short term, cash credit arrangements, the discounting of bills, etc.

As the Company will be required to create charge or/ provide security, if required, on its assets against the borrowings, the approval under provisions of the Companies Act, 2013 to that extent is also sought from the Members.

The Board recommends this resolution for the approval of the members as Special Resolutions.

None of the Directors or the Key Managerial Personnel of the company including their relatives are in any way concerned or interested in the said resolution.

ITEM NO. 5

Pursuant to notification of the Section 180 (1)(a) of the Companies Act, 2013, every company is required to obtain approval of the Company/Shareholders in general meeting by way of special resolution for authorizing the Board of directors to sell, lease or otherwise dispose of the immovable property (ies) or undertaking(s) of the Company.

Generally, the borrowings are required to be secured by mortgage or charge on all or any of the movable or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

Further, the mortgage and/or charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company, for securing the borrowings availed/to be availed by the Company and/or any of the Company's holding/Subsidiary/Affiliate/Associate Company/any person(s), firm(s), trust(s) or bodies corporate, with a power to the charge holders to take over the management of the business and concern of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180 (1) (a) of the Companies Act, 2013.

- Hence, it is considered to be necessary for the Members to pass a resolution under the said Section for authorizing the Board to create charge/mortgage/ hypothecate the assets of the Company as security /collateral security upto the Borrowing limits as provided in the Shareholders Resolution u/s 180 (1) (c) of the Companies Act, 2013 and in the supersession of earlier special resolution passed by the shareholders in their 22nd Annual General Meeting of the company held on Thursday, 17th day of August, 2017.

Your Board recommends the resolution set out at Item No. 5 of the Notice to be passed as a Special Resolution for the approval of the members.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or in any way interested in this resolution, except to the extent of shares held by them, if any, in the Company.

By order of the Board of Directors of
DIGAMBER CAPFIN LIMITED

Date: 06/09/2022

Place: Jaipur

Sd/-

Neha Agarwal
Company Secretary & Compliance Officer
Membership No. A35576

FORM MGT-11

PROXY FORM

[PURSUANT TO SECTION 105 (6) OF THE COMPANIES ACT, 2013 AND RULE 19 (3) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

I/We, being the member(s) of----- of Digamber Capfin Limited, hereby appoint-

1. -----of -----having mail ID----- or failing him
2. -----of -----having mail ID----- or failing him
3. -----of -----having mail ID----- or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company to be held on Friday, 30th September, 2022 at 11:30 A.M. at through Physical/Video Conferencing (VC) / Other Audio Visual Means (OAVM) and physical at registered office of the company at J-54-55, IInd Floor, Anand Moti, Near Toyota Showroom, Tonk Road, Jaipur-302018 and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below: **(This is optional)**

(Please put a (/)) in the appropriate column as indicated below. If you leave columns blank in any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Resolution No.	Subject Matter	For	Against
Ordinary Business			
1.	To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the financial year ended 31st March 2022, along with the report of Board of Directors and Auditors along with all annexure thereon		
2.	To re-appoint Mr. Amit Jain (DIN:00416133), as Director of the Company who is liable to retire by rotation and being eligible, offer himself for re-appointment		
Special Business			
3.	To Regularize appointment of Mr. Nayan Ambali (DIN:03312980) as Non-Executive Director of the company		
4.	To Authorize the Board to borrow monies over and above the paid up share capital and free reserves and securities premium of the company		
5.	To Authorize the Board to create charge/mortgage properties of the company for securing Loan and other Financial Assistance		

Signed this----- day of ----- 2022

Affix Rs. 1
Revenue
Stamp

Signature of the shareholder
Across revenue stamp

**Signature of
First proxy holder**

**Signature of
Second proxy holder**

**Signature of
Third proxy holder**

Notes:

1. This form of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.

ROUTE MAP



Prominent Landmark: Kanha Restaurant, Tonk Road, Jaipur.



**“ Loan Nahi
Hum Sapne
Dete Hain kyuki
Gaon Me Humare
Apne Rehta Hain ”**

Digamber Capfin Ltd. is registered as a Non Banking Financial Company. The Company has a valid Certificate of Registration dated 09.09.1999 issued by the Reserve Bank of India (RBI) under section 45 IA of the Reserve Bank of India Act, 1934. We have also been classified as NBFC-MFI by RBI vide its approval in 06 th September 2013 in line with its Circular DNBS.CC.PD.No.250/03, 10.01/2011-12 dated 2 nd December 2011. However, the RBI does not accept any responsibility or guarantee about the present position as to the Financial Soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for repayments of deposits/discharge of liabilities by the company.