



KALANI & COMPANY

CHARTERED ACCOUNTANTS

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	Our audit procedures are as under:



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	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. 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.	• 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; • 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").





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	• 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;
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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

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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.



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- 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

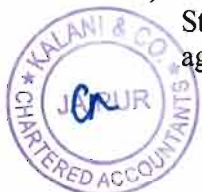
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.





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- 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:
- 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.
 - The Company did not have any long term contracts including derivative contracts, for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (a) The Management has represented that, to the best of it's 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 it's 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





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(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



[Gaurav Rawat]
Partner
M.No.-412724

Place of Signature: Jaipur

Dated: 26-05-2022

UDIN:- 22412724AJQRQD9859



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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



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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.





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- 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.



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- x. In respect of issue of securities (including Debt securities),
- 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.
 - 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,
- 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.
 - 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.
 - 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,
- The company has an internal audit system commensurate with the size and nature of its business
 - 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,
- 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,
 - 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
 - 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.





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- 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



Gaurav Rawat

[Gaurav Rawat]
Partner
M.No.-412724

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



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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



[Gaurav Rawat]

Partner

M.No.-412724

Place of Signature: Jaipur

Dated: 26-05-2022



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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.



705, VII Floor, Milestone Building, Gandhi Nagar Crossing, Tonk Road, Jaipur-302015

☎:2709001-2, ☎: 0141-2709003 E-mail: Gaurav@kalanico.com



KALANI & COMPANY

CHARTERED ACCOUNTANTS

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



[Gaurav Rawat]

Partner

M.No.-412724

Place of Signature: Jaipur

Dated: 26-05-2022

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

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2-91

The notes forming integral part of the financial statements

In terms of our report of even date

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

Gaurav Rawat
Partner
M.No. 412724

Place : Jaipur

Date : May 26, 2022

UDIN : 22412724AJQRQD9859



For and on behalf of the Board

Rajiv Jain
Chairman and Managing Director
(DIN - 00416121)

Amit Jain
Whole Time Director cum CFO
(DIN - 00416133)

Neha Agarwal
Company Secretary
(M.No. - A35576)

Lalit Kumar Jain
Independent Director
(DIN - 07517615)



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)

Gaurav Rawat
Gaurav Rawat
Partner
M.No. 412724



Place : Jaipur

Date : May 26, 2022

UDIN : 22412724 AJQR0D9859

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

Amit Jain
Amit Jain
Whole Time Director cum CFO
(DIN - 00416183)

Neha Agarwal
Neha Agarwal
Company Secretary
(M.No. - A35576)

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



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	5,201.12	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 and on behalf of the Board

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

Gaurav Rawat
Gaurav Rawat
Partner
M.No. 412724



Place : Jaipur
Date : May 26, 2022

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

Amit Jain
Amit Jain
Whole Time Director cum CFO
(DIN - 00416133)

Neha Agarwal
Neha Agarwal
Company Secretary
(M.No. - A35576)

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



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	Changes in equity share capital due to prior period errors	Restated opening balance of current period	Changes in equity share capital during current year	Balance as at 31st March 2022
987.69	-	987.69	-	987.69

As at 31st March 2021

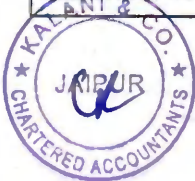
(₹ in lakhs)

Balance as at 01st April 2020	Changes in equity share capital due to prior period errors	Restated opening balance of current period	Changes in equity share capital during current year	Balance as at 31st March 2021
987.69	-	987.69	-	987.69

B. Other Equity
Year ended 31st March 2022

(₹ 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-IC of the RBI Act,	
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-IC 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)	-	-	-	-	(0.85)	-	(0.85)
Total Comprehensive Income	-	-	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-IC 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. 0007226)

Gaurav Rawat
Gaurav Rawat
Partner
M.No. 412724



Place : Jaipur
Date : May 26, 2022

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

Amit Jain
Amit Jain
Whole Time Director cum CFO
(DIN - 00416133)

Neha Agarwal
Neha Agarwal
Company Secretary
(M.No. - A35576)

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



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.



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 Commission 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.



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.

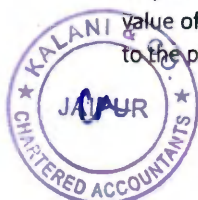
The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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.



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.

14

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.



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.

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 recalculates the gross carrying amount of the financial asset and recognises 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.

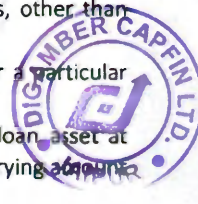
On derecognition of a financial asset in its entirety, the difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised is recognised in the statement of profit and loss.

(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 79% 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 of 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.

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.

18 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 that 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

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.



iv. **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.

v. **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.

vi. **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.

vii. **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.

viii. **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.

ix. **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 31st March 2021	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)

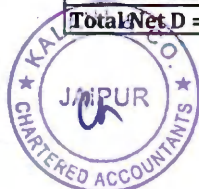
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
	Amortised Cost	Amortised Cost	Amortised Cost
(A)			
Term Loans	77,372.16	57,350.28	57,523.29
Total (A)	77,372.16	57,350.28	57,523.29
Less: Impairment loss allowance	(2,316.13)	(1,016.99)	(134.66)
Total Net (A)	75,056.03	56,333.28	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



6 Other Financial Asset

(₹ in lakhs)

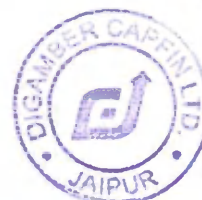
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Fixed Deposit with Banks (Remaining maturity more than 12 Months)	3,155.85	3,726.02	4,593.23
Excess Interest Spread in DA transaction	3,130.68	1,984.38	1,736.34
Receivable against Excess Interest Spread	856.65	774.28	254.65
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)



Digamber Capfin Limited
Notes to financial statements for the period ended on 31st March 2022

8 Property, Plant & Equipment

As at 31st March 2022

(₹ in lakhs)

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

(₹ in lakhs)

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

(₹ in lakhs)

PARTICULARS	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

(₹ in lakhs)

PARTICULARS	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	More than 3 years	
Projects in progress	25.96	-	-	-	25.96

10 Intangible Assets under Development

As at 31st March 2022

(₹ in lakhs)

PARTICULARS	Software	Total
As at 1st April 2021	-	-
Addition During the period	-	-
Capitalisation during the period	-	-
As at 31st March 2022	-	-

As at 31st March 2021

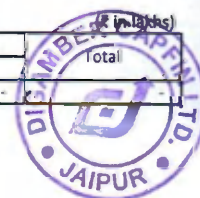
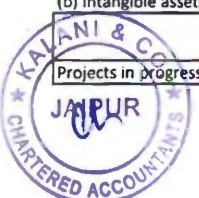
(₹ in lakhs)

PARTICULARS	Software	Total
As at 1st April 2020	15.00	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	More than 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	-00
Sundry advances and receivables	0.92	14.28	10.61
Advance for purchase of property	-00	-00	1,421.74
Income tax refund receivable	-00	-00	-00
Receivable towards securitisation/assignment transactions	-00	-00	-00
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	-00	-00
Other than Micro and Small Enterprises	3.51	-00	-00
Total	10.31	-00	-00

(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	-00	-00	-00
Other than Micro and Small Enterprises	43.34	-00	-00
Total	43.34	-00	-00

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	-00	-00	-00	6.79
Other than Micro and Small Enterprises	46.85	-00	-00	-00	46.85
Total	53.65	-00	-00	-00	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	-00	-00	-00	-00	-00
Other than Micro and Small Enterprises	-00	-00	-00	-00	-00
Total	-00	-00	-00	-00	-00

(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	-00	-00	-00	-00	-00
Other than Micro and Small Enterprises	-00	-00	-00	-00	-00
Total	-00	-00	-00	-00	-00

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	-00
Total	2,545.50	5,180.99	-00
Debt securities in India	2,545.50	5,180.99	-00
Debt securities outside India	-00	-00	-00
Total	2,545.50	5,180.99	-00



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	-
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 vechiles 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 FIs/ 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 instrum ent/ Instituti on	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
Debentur es	Bullet Repayment	0-3 years	11.00% - 11.50%	45.50	2,500.00	-	-	-	2,545.50



Sub-debts	Bullet Repayment	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
		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
	Quarterly	Above 3 years	10.00% - 10.50%	1,600.00	1,500.00	1,200.00	400.00	300.00	5,000.00
Term loans from financial institutions	Monthly	0-3 years	9.50% - 10.00%	449.66	-	-	-	-	449.66
			13.50% - 14.00%	2,275.66	991.13	-	-	-	3,266.79
		Above 3 years	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 years	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
			11.00% - 11.50%	44.38	-	2,500.00	-	-	2,544.38
Sub-	Bullet	0-3 years	16.00% - 18.00%	7.64	-	500.00	-	-	507.64



debts		Above 3 years	16.00% - 18.00%	12.57	-	-	1,000.00	-	1,012.57
Term loans from bank	Monthly	0-3 years	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	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
	Quarterly	0-3 years	13.50% - 14.00%	1,505.15	830.18	-	-	-	2,335.33
Vehicle loans	Monthly	Above 3 years	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	Upto 1 year	2-3 years	3-4 years	More than 4 years	Total
Sub-debts	Bullet	Above 3 years	16.00% - 18.00%	20.21	-00	-00	-00	500.00	1,000.00	1,520.21
Term loans from bank	Monthly	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	-00	3,754.94
			12.50% - 13.00%	1,388.89	1,566.67		140.00	100.00	-00	3,195.56
		0 - 3 years	10.50% - 11.00%	143.32	-00	-00	-00	-00	-00	143.32
			11.00% - 11.50%	2,072.59	1,655.21		562.62	-00	-00	4,290.43
			11.50% - 12.00%	324.30	327.78		331.72	-00	-00	983.80
			12.00% - 12.50%	343.84	-00	-00	-00	-00	-00	343.84
			12.50% - 13.00%	726.28	637.70		-00	-00	-00	1,363.98
			13.50% - 14.00%	1,401.91	1,644.47		325.85	-00	-00	3,372.23
Term loans from financial institutions	Monthly	0 - 3 years	14.50% - 15.00%	59.24	-00	-00	-00	-00	-00	59.24
			7.00% - 7.50%	432.00	246.99		-00	-00	-00	678.99
			10.00% - 10.50%	459.65	613.04	-00	449.27	-00	-00	1,521.96
			13.00% - 13.50%	2,666.26	2,668.39	-00	1,495.79	-00	-00	6,830.44
			13.50% - 14.00%	4,114.30	3,692.79	-00	1,365.29	-00	-00	9,172.38
			13.50% - 14.00%	828.80	831.62		166.31	-00	-00	1,826.73
Vehicle loans	Monthly	Above 3 years	13.50% - 14.00%	488.93	659.48		566.67	284.98	-00	2,000.06
			7.50% - 8.00%	7.48	8.18	-00	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	-00	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	-00	-00	2.90
ESI Payable	10.87	7.41	7.37
PF Payable	33.92	22.50	25.81
PT Payable	0.15	-00	-00
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/- Each)	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	-00	-00	-00
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	% of holding	No. of Shares	% of holding	No. of	% of holding
Equity Shares of Rs. 10 each fully paid-up						
- Mr. Rajiv Jain	2,555,927	25.88	1,922,263	19.46	1,705,901	17.27
- Mr. Amit Jain	2,346,981	23.76	1,610,320	16.30	1,496,955	15.16
- Mrs. Shweta Jain	1,075,849	10.89	920,139	9.32	920,139	9.32
- Mrs Shilpa Ajmera	910,094	9.21	754,384	7.64	754,384	7.64
- M/s Unibloom Mancon Pvt. Ltd	491,530	4.98	1,167,000	11.82	1,167,000	11.82
Total	7,380,381		6,374,106		6,044,379	

(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 year
S. No	Promoter name	No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Rajiv Jain	1,922,263	19.46	2,555,927	25.88	32.96
2	Amit Jain	1,610,320	16.30	2,346,981	23.76	45.75
3	Shweta Jain	920,139	9.32	1,075,849	10.89	16.92
4	Shilpa Ajmera	754,384	7.64	910,094	9.21	20.64
5	Rajiv Jain HUF	312,299	3.16	341,574	3.46	9.37
6	Amit Jain HUF	312,054	3.16	341,329	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	12943.11	10,070.15	5,711.86
Statutory Reserve u/s 45-IC of RBI Act, 1934	2593.85	1,662.93	1,074.93
Capital Redemption Reserve	300.00	150.00	-00
Debt Redemption Reserve	250.00	-00	-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, 2013.

(₹ 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	-00	-00	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)	-00
Less: Transfer to Special Reserves	(930.92)	(588.00)	(538.00)
Less: Transfer to Capital Redemption Reserves	(150.00)	(150.00)	-00
Less: Transfer to Debt Redemption Reserves	(250.00)	-00	-00
Add: Other Adjustments for IND AS first time adoption	-00	-00	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

(₹ 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

(₹ 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	-00	-00
Add : Additions during the period	150.00	150.00	-00
At the end of the period	300.00	150.00	-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	-00	-00	-00
Add : Additions during the period	250.00	-00	-00
At the end of the period	250.00	-00	-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	-00
Add: Additions during the period	-00	-00	567.66
At the end of the period	567.66	567.66	567.66



Digamber Capfin Limited
Notes to financial statements for the period ended on 31st March 2022

22 Interest Income (Measured at Amortised Cost)

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

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

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

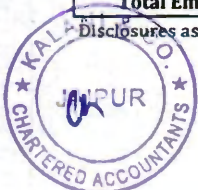
25 Finance cost

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

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

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

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

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
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

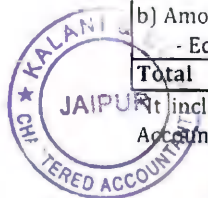
(a) Payment to auditors includes:-

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 Income Tax

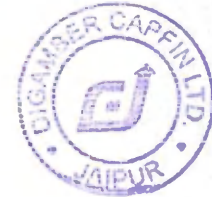
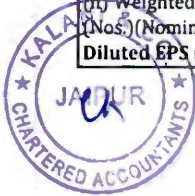
(A)	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
	Current Tax	1,015.09	1,022.46
	Deferred Tax	(568.61)	508.98
	Total Tax Expenses	446.49	1,531.44

(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)	9,876,930.00	9,876,930.00
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)	9,876,930.00	9,876,930.00
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 AS (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:

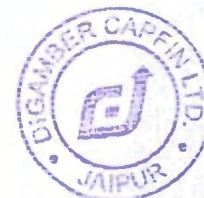
- Impairment of financial assets based on expected credit loss model.
- Fair valuation of financial instruments carried at FVTPL
- Determination of discounted value for financial instruments carried at amortized cost
- Actuarial Valuation of Employee benefit expenses



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 presented under cash and cash equivalents.

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 were 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.



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	-	-	-	-	-	-	-	-	-
(I) 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	6.79	6.79	-	-	-	-	-	-	-
ii) total outstanding dues of creditors other than micro	3.51	3.51	-	-	-	-	-	-	-
enterprises and small enterprises									
(II) Other Payables									
i) total outstanding dues of micro enterprises and small	-	-	-	-	-	-	-	-	-
ii) total outstanding dues of creditors other than micro	43.34	43.34	-	-	-	-	-	-	-
enterprises and small enterprises									
(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



Digamber Capfin Limited
Notes to financial statements for the period ended on 31st March 2022

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

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
	(₹ In Lakhs)	
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	(568.61)	508.98
Total Deferred Tax Expense	446.49	1,531.44
Total Income Tax Expense		

(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

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
	(₹ In Lakhs)	
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

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)	
		(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(I) 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 (₹ in Lakhs)			
Transactions with KMP			
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:

Particulars	₹ In Lakhs	
	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

B) Defined Benefit plan - Gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary) for each completed year of service subject to a maximum of ₹20 Lakhs on retirement, resignation, termination, disablement or on death, in accordance with Payment of Gratuity Act, 1972. Present value of gratuity obligation is determined based on actuarial valuation using the projected unit credit method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Statement of Assets and Liabilities for Gratuity as at 1st April 2020

Particulars	₹ In Lakhs	
	Total	
Defined benefit Obligation	48.40	
Fair value of Plan Assets	93.40	

Particulars	₹ In Lakhs	
	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	0.12
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	(7.85)	(0.03)
Changes in financial assumptions	13.53	1.16
Experience adjustments	5.68	1.13
Total Actuarial (Gain) / Loss recognised in OCI		
(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:

- Changes in Discount rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.
- 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.
- Life expectancy - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

40 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

	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 Loss			
Loans	74,536.70	55,533.52	57,424.16
Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss			
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.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	(₹ In Lakhs)				
	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.

(₹ In Lakhs)			
Interest Rate Exposure:			
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

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 its capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants. The company manages its 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.

(₹ In Lakhs)			
Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
Borrowings	74,404.70	56,449.19	44,228.93
Less: Cash and Cash Equivalents	7,368.35	3,601.55	2,262.74
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

(₹ In Lakhs)				
Particulars	Level 1	Level 2	Level 3	Total
Financial Assets			75,056.03	75,056.03
Loans	559.91	-	-	559.91
Investments	559.91	-	75,056.03	75,615.93
Total				
Financial Liabilities			2,545.50	2,545.50
Debt Securities	-	-	70,351.38	70,351.38
Borrowings (Other than Debt Securities)	-	-	1,507.82	1,507.82
Subordinated Liabilities	-	-	74,404.70	74,404.70
Total				



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.

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

Particulars	((in lakhs))	
	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	39,703.43	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	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 (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.

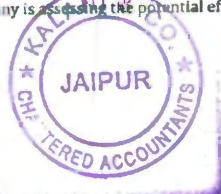
58 Standards issued but not effective

The amendments to Standards that are issued, but not yet effective up to the date of issuance of company's financial statements are disclosed below. The company intends to adopt these standards, if applicable, as and when they become 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. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

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 dep) 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/pr

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 March 31, 2021		
	% 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%

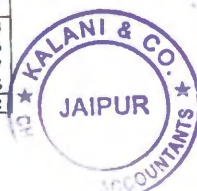
6. Digamber Capfin Limited (DCL) has an Assets Liability Supervisory Committee (ALCO), a Board level sub-Committee to oversee liquidity risk management. ALCO consists of Managing Director, Executive Director and Chief Financial Officer. The ALCO Meetings are held once in 3 months. DCL has a Risk Management Committee (RMC) a sub-committee of the Board, which oversee overall risks to which the company is exposed including risk management. The ALCO and RMC also updates the Board at regular intervals.

62 Capital Adequacy Ratio

Particulars	(₹ in lakhs)		
	As at 31st March	As at 31st March	As at 01st April
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: Unrelaxed 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 Contingencies (Show under the head expenditure in statement of Profit and Loss)

Particulars	As at 31st March	As at 31st March
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
	2,461.69	1,935.92

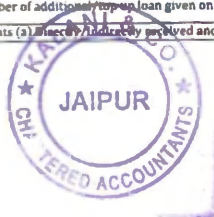


Particulars	(₹ in Lakhs)	
	As at 31st March 2022 0.90%	As at 31st March 2021 2.44%
Net NPA's to Net Advance %		
Movement of NPAs (Gross)	1,816.75	27.45
Opening Balances - Overdue	731.19	71.68
Opening Balances - Not overdue	3,380.06	2,774.37
Add: Additions during year and change in existing - Overdue	1,545.51	1,022.60
Add: Additions during year and change in existing - Not overdue	(2,361.36)	(985.07)
Less: Reductions during year - Overdue	(197.67)	(363.09)
Less: Reductions during year - Not overdue	2,835.45	1,816.75
Closing Balance - Overdue	2,079.04	731.19
Closing Balance - Not overdue		
Movement of NPAs (Net)	1,500.24	21.89
Opening Balances - Overdue	603.80	56.10
Opening Balances - Not overdue	2,413.05	2,463.43
Add: Additions during year and change in existing - Overdue	793.87	910.79
Add: Additions during year and change in existing - Not overdue	(2,361.36)	(985.07)
Less: Reductions during year - Overdue	(197.67)	(363.09)
Less: Reductions during year - Not overdue	1,551.94	1,500.24
Closing Balance - Overdue	1,200.00	603.80
Closing Balance - Not overdue		
Movement of provision for NPAs	316.51	5.56
Opening Balances - Overdue	127.39	15.58
Opening Balances - Not overdue	967.00	310.95
Provision made during the year - Overdue	751.65	111.81
Provision made during the year - Not overdue	-	-
Write-off/Write back of excess	1,283.51	316.51
Closing Balance - Overdue	879.03	127.39
Closing Balance - Not overdue		

*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/DO/2021-22/45
DOR STR.REC.53/21.04.177/2021-22

Particulars	(₹ in Lakhs)	
	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 securitisation 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	344.87	2,042.06
• Others		
Amount of exposures to securitization transactions other than MRR (FD)		
a) Off-balance sheet exposures		
ii) Exposure to own securitisations		
• First loss		
• Others		
ii) Exposure to third party securitisations		
• First loss		
• Others		
b) On-balance sheet exposures		
ii) Exposure to own securitisations		
• First loss	165.54	1,313.61
• Others		
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, post-securitisation asset servicing, etc.		
(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	165.54	1,313.61
(c) Outstanding amount		
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 additionally 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 involved and; (b) Complaints outstanding	-	-



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
transferor has agreed to replace the transferred loans	NA	NA
No of Transferred Loans Replaced	NA	NA

67(A) Sector-wise NPA*	(in %)	
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%

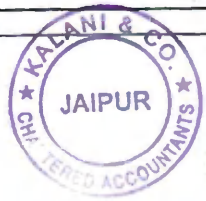
*Ratio calculated is based on overdue portion of advances only.

67(B) Detail of Impairment Loss Allowance Reserve

(A) As at 31st March, 2022:

(₹ In Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
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

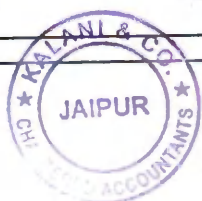


(B) As at 31st March, 2021:

₹ In Lakhs						
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
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	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:

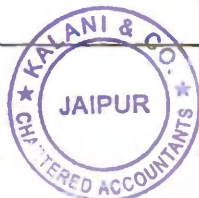
₹ In Lakhs						
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
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	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

		[₹ in lakhs]	
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
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			-
(iv) Government Securities			559.91
(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	(₹ In Lakhs)					
		(A)	(B)	(C)	(D)	(E)	(F)
		Exposure to Account Classified as Standard asset consequent to the implementation of resolution plan - Position as on 01st April 2021	Of (A), aggregate debt that slipped into NPA during the year ended 31st March 2022	Of (A), amount written off during the year ended 31st March 2022#	Of (A), amount paid by the borrower during the year ended 31st March 2022^	No. Of Loans as on 31st March 2022	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



As on 31st March, 2022

(Rs in Lacs)

Particulars	1 to 7 Days	8 to 14 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										2,282.40
Advances	137.73	413.18	2,314.80	3,009.26	3,047.80	8,948.80	17,343.34	37,558.72	-	3,439.04
Fixed Asset/ Intangible asset	-	-	-	-	-	-	-	-	-	0.56
Cash and Bank including Investments	2,490.53	3,502.04	1,035.53	129.17	190.14	749.98	1,631.79	3,065.69	605.13	-
EIS Asset	-	-	-	856.65	842.19	716.32	1,008.31	563.86	-	20.82
Other Assets	67.11	126.49	18.48	1.13	-	749.84	9.96	-	-	5,792.00
Total	2,695.37	4,041.71	3,368.81	3,996.21	4,080.13	11,164.94	19,993.40	41,188.27	605.13	0.56
Liabilities										
Borrowings	1,149.19	367.96	1,350.62	3,049.44	2,939.49	8,328.05	15,198.86	40,295.99	1,724.57	453.87
Other Liabilities	100.47	177.34	95.63	8.10	-	-	2,013.80	-	-	18,681.36
Reserves and Surplus	-	-	-	-	-	-	-	-	-	987.69
Equity Share Capital	-	-	-	-	-	-	-	-	-	-
Total	1,249.66	545.30	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	3,496.41	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	4,942.12	6,864.68	7,803.35	8,943.99	11,780.83	14,561.62	15,453.90	14,334.46	-

As on 31st March, 2021

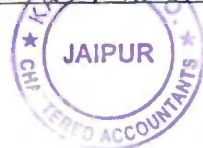
(Rs in Lacs)

Particulars	1 to 7 Days	8 to 14 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										1,820.03
Advances	485.79	594.35	2,005.41	2,605.02	2,582.13	7,142.76	16,659.79	22,438.01	-	3,343.27
Fixed Asset/ Intangible asset	-	-	-	-	-	-	-	-	-	20.00
Cash and Bank including Investments	89.50	900.00	2,400.00	5,018.77	193.28	836.96	1,497.26	3,154.52	1,067.78	-
EIS Asset	-	-	-	774.28	565.52	454.80	560.24	403.81	-	66.51
Other Assets	65.91	19.13	26.20	108.76	201.97	164.09	182.23	-	-	5,249.81
Total	641.20	1,513.48	4,431.61	8,506.83	3,542.90	8,598.61	18,899.52	25,996.34	1,067.78	115.85
Liabilities										
Borrowings	422.05	1,098.84	1,425.10	2,111.93	2,278.17	6,327.44	14,392.21	24,919.10	3,358.51	1,023.91
Other Liabilities	118.26	31.23	4.55	4.06	299.46	24.97	3,044.10	1,980.17	-	14,480.47
Reserves and Surplus	-	-	-	-	-	-	-	-	-	987.69
Equity Share Capital	-	-	-	-	-	-	-	-	-	-
Total	540.31	1,130.07	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	383.41	3,001.96	6,390.84	965.27	2,246.20	1,463.21	(902.91)	(2,290.73)	(11,358.11)
Cumulative Surplus/(Deficit)	100.89	484.30	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	8 to 14 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										16.25
Advances	-	-	119.65	569.57	2,888.26	13,365.05	22,055.96	18,341.63	32.16	968.01
Fixed Asset/ Intangible asset	-	-	-	-	-	-	-	-	-	-
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	-	45.00
Other Assets	-	-	904.32	2.86	2.86	1,346.94	-	-	-	-
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	86.39	8.94	4.78	-	27.00	5,863.92	5,024.28	-	535.21
Reserves and Surplus	-	-	-	-	-	-	-	-	-	9,384.19
Equity Share Capital	-	-	-	-	-	-	-	-	-	987.69
Total	138.11	86.39	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)	(86.39)	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)	(224.50)	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
- 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
- 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 Payment	As at March 31, 2022	As at March 31, 2021
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

- 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

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

- 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)

Gaurav Rawat
Partner
M.No. 412724



Rajiv Jain
Chairman and Managing Director
(DIN - 00416121)

Amit Jain
Whole Time Director cum CFO
(DIN - 00416173)

Neha Agarwal
Company Secretary
(M.No. - A35576)

Lalit Kumar Jain
Independent Director
(DIN - 07517615)



Place : Jaipur
Date : May 26, 2022