

Independent Auditor's Report

A K Chordia & co
Chartered Accountants
2ND Floor, Shop No 335,
Johari Bajar, Jaipur-302003

To,
The Members of
DIGAMBER CAPFIN LIMITED

Opinion

We have audited the accompanying financial statements of Digamber Capfin Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its Profit and its cash flows for the year ended on that date

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by the Non Banking Financial 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.

With respect to the adequacy of the Internal Control over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in Annexure C, and,

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- c. The Balance Sheet, the Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting 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's internal financial controls over financial reporting;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, 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; and
- 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:
 - a. The Company does not have any pending litigations which would impact its financial position;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For A K Chordia & Co
Chartered Accountants
FRN: 002606C



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[CA Rakesh Kumar Bakliwal]
Partner
Membership No.071987
Jaipur,
Dated: 30th June'2020
UDIN: 20071987AAAAFI4105

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

For the Year Ended on 31st March 2020

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

- i.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a regular programme of physical verification of the fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed Assets were physically verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company.
 - c) According to the information and explanations are given to us and on the basis of our examination of the records of the company, the title deeds of the immovable properties are held in the name of the company.
- ii. The Company is a Micro Financing Non Banking Finance Company. Accordingly, it does not hold any physical inventories. Thus Paragraph 3(ii) is not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence requirements of clause 3(a), 3 (b) & 3(c) are not applicable.
- iv. The Company has not made loans, investments, guarantees and securities to directors etc.
- v. The company has not accepted deposits from the public.
- vi. The Central Govt. has not prescribed the maintenance of Cost records under section 148(1) of the Companies Act'2013 ('the Act')
- vii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues, including provident fund, Employee State Insurance, Income Tax, Goods and Service Tax, and other material statutory dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, Income Tax, Goods and Service Tax, and other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not defaulted in repayments of the Loans or borrowings to financial institutions, Bank, Govt. or otherwise.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). However, Term loans were taken from the Banks and Financial Institutions was applied for the purpose for which the same were raised.
- x. According to the information and explanations given to us, during the year, no case of embezzlement by employees of the company is reported.(previous year Eight employee committed embezzlement of `722215/- of which ` 215540/-was recovered). Recovery Proceedings for the unrecovered portion of embezzlement is pending.

During the year 4 case of Robbery (previous year 3 cases) of Money from the staff of the company are reported for which FIR was filed. The aggregated amount of robbery of `570121/- (previous Year `236680/-) has been charged to profit & loss account of the company.

According to the information and explanations given to us, no fraud has been committed by the company, which has been noticed or reported during the course of the audit.

- xi. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the order is not applicable.
- xiii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required in the accounting standards.
- xiv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has made private placement of shares, in accordance with the compliance of the requirement of section 42 of the Act. The amount so raised has been used for the purpose it has been raised.
- xv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not entered into non cash transactions with Directors or persons connected with them. Accordingly, the paragraph 3(xv) of the order is not applicable.
- xvi. The company is Registered under section 45-IA of the Reserve Bank of India Act' 1934.

Place: Jaipur
Tuesday, 30th June, 2020
UDIN: 20071987AAAAFI4105

For A K Chordia & Co
Chartered Accountants
FRN: 002606C

-sd-
Rakesh Kumar Bakliwal
Partner
M. No. 071987



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

For the Year Ended on 31st March 2020

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

- a) That the Company is engaged in the business of non-banking financial institution as defined in section 45-I (a) of the RBI act and meeting the principle business criteria (Financial asset/ income pattern) as laid down by RBI directions and it has obtained a Certificate of Registration (COR) from the Reserve Bank of India.
- b) That the company is entitled to continue to hold such COR in terms of its assets/income pattern as on March 31, 2020.
- c) That Company has to meet 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.
- d) The Board of Directors of the Company has passed a resolution for non-acceptance of any public deposits.
- e) The company has not accepted any deposits from public during the financial year 2019-20.
- f) 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.
- g) 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. 2019-20.

For A K Chordia & Co
Chartered Accountant
FRN: 002606C

Place: Jaipur
Tuesday, 30th June, 2020
UDIN: 20071987AAAAFI4105

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Rakesh Kumar Bakliwal
Partner
M. No.: 071987



ANNEXURE 'C' TO THE INDEPENDENT AUDITOR'S REPORT

For the Year Ended on 31st March 2020

(Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act' 2013)

We have audited the Internal Financial Controls over Financial Reporting of Digamber Capfin Ltd. ('the Company') as of 31st March 2020 with our audit of Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT 'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the company, considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Control 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 business, including adherence to the company's policies, the safeguard of assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and 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 Finance Controls over Financial Reporting ('the Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act' 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Financial Controls and, both issued by ICAI. Those standards and 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 were established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of the internal financial controls system over financial reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists along with testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risk material and 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 the company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provides reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of the 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 LIMITATION OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, includes the possibility of collusion or improper management leads to overriding of controls, material misstatements due to error or fraud may occur and not be detected. Also, Projections of any evaluation of the internal financial control 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 controls, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the company has, in all material aspects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal controls stated in the guidance Note on Audit of Internal Financial Controls Over Financial reporting issued by the ICAI.

Other Matter

Broadly, the Company is having most of the system in place as required for the compliance of Internal Financial Control on Financial Reporting. However, those systems or controls are having scope of further improvement. Also, Company has documented adequately the internal financial controls based on Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Based on our audit procedures, we are of the opinion that Company has rectified all material observations of our audit on internal financial controls over financial reporting to ensure that they do not significantly affect financial reporting on Internal Financial Control as on Balance Sheet date.

Place: Jaipur
Tuesday, 30th June, 2020
UDIN: 20071987AAAAFI4105

For A K Chordia & Co
Chartered Accountant
FRN: 002606C

-sd-
Rakesh Kumar Bakliwal
Partner
M. No.: 071987



DIGAMBER CAPFIN LIMITED			
BALANCE SHEET AS AT 31st March 2020			
Particulars	Note	March 31, 2020	March 31, 2019
		(`)	(`)
I EQUITY AND LIABILITIES			
Share Capital	<u>3.1</u>	128769300.00	116849300.00
Reserves and Surplus	<u>3.2</u>	723484704.77	398033627.70
		852254004.77	514882927.70
Non-Current Liabilities			
Long Term Borrowings	<u>3.3</u>	2840727246.44	1910996429.22
Long Term Provisions	<u>3.4</u>	70232000.00	50000000.00
		2910959246.44	1960996429.22
Current Liabilities			
Short-Term Borrowings	<u>3.3</u>	332125418.05	110775246.57
Other Current Liabilities	<u>3.5</u>	1969061269.38	1316985849.56
Short-Term Provisions	<u>3.6</u>	0.00	1180000.00
		2301186687.43	1428941096.13
TOTAL :		6064399938.64	3904820453.05
II ASSETS			
Non-Current Assets			
Property, Plant & Equipment	<u>4.0</u>	96800502.15	83160295.90
Deferred Tax Assets	<u>4.1</u>	3077849.00	5192527.00
Long Term Loans & Advances	<u>4.2</u>	1567585491.67	1367687545.47
		1667463842.82	1456040368.37
Current Assets			
Cash and Cash Equivalents	<u>4.3</u>	861983037.49	351605776.35
Short-term Loans and Advances	<u>4.4</u>	3306288877.91	2055960913.46
Other Current Assets	<u>4.5</u>	228664180.42	41213394.87
		4396936095.82	2448780084.68
TOTAL :		6064399938.64	3904820453.05

The accompanying notes 1 to 17 are an integral part of the Financial Statements
In terms of our attached report of even date

For A K Chordia & Co
Chartered Accountants
FRN: 002606C

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



-sd-
Rakesh Kumar Bakiwal
Partner
M. No. 071987
UDIN:20071987AAAAFI4105
PLACE : JAIPUR
DATED : 30.06.2020



-sd-
(Rajiv Jain)
Whole Time Director
DIN: 00416121

-sd-
(Lalit KumarJain)
Independent Director
DIN : 07517615

-sd-
(Amit Jain)
Whole Time Directorcum CFO
DIN: 00416133

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

DIGAMBER CAPFIN LIMITED				
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020				
S.No	PARTICULARS	NOTES	March 31, 2020	March 31, 2019
			(₹)	(₹)
I	INCOME			
	Revenue from Operation	<u>5.0</u>	1406024834.80	813462488.98
	Other Income	<u>5.1</u>	33864104.95	16568317.02
	TOTAL :		1439888939.75	830030806.00
II	EXPENDITURES			
	Employee Benefit Expenses	<u>5.2</u>	342395809.00	155427276.00
	Finance Cost	<u>5.3</u>	563738978.59	369273571.08
	Depreciation and Amortization Expenses	<u>5.4</u>	9211484.66	4812984.26
	Administrative Expenses	<u>5.5</u>	109298732.41	44493248.67
	Provision & Write Off	<u>5.6</u>	53330180.02	41459435.94
	TOTAL :		1077975184.68	615466515.95
III	Profit Before Tax		361913755.07	214564290.05
	Less : Tax Expenses	<u>5.7</u>	93362678.00	62353857.50
	Current Year Tax		91248000.00	63020087.50
	Deferred Tax		2114678.00	-666230.00
	Profit (Loss) for the Year from continuing operations		268551077.07	152210432.55
	Earning Per Equity Share	<u>5.10</u>		
	Basic		29.86	18.41
	Diluted		28.99	17.64

The accompanying notes 1 to 17 are an integral part of the Financial Statements

In terms of our attached report of even date

For A K Chordia & Co
Chartered Accountants
FRN: 002606C

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



-sd-

Rakesh Kumar Bakiwal
Partner

M. No. 071987
 UDIN:20071987AAAAFI4105
 PLACE : JAIPUR
 DATED : 30.06.2020

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(Rajiv Jain)
 Whole Time Director
 DIN: 00416121

-sd-

(Lalit KumarJain)
 Independent Director
 DIN : 07517615

-sd-

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

-sd-

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



DIGAMBER CAPFIN LIMITED			
CASH FLOW STATEMENT FOR THE YEAR ENDED AS AT MARCH 31, 2020			
S.No.	Particulars	March 31, 2020 (` in Lakh)	March 31, 2019 (` in Lakh)
A	<u>CASH FLOW FROM OPERATING ACTIVITY</u>		
	Net Profit Before Tax	3619.14	2145.60
	Adjustments for:-		
	Depreciation and Amortization	92.11	48.13
	Provision	202.32	145.00
	Operating Profit Before working Capital Changes	3913.57	2338.77
	Changes In Working Capital:-		
	Increases/Decreases in Loans & Advances	-14858.28	-6425.41
	Increases/Decreases in Current Liabilities	0.00	0.00
	Increase/Decrease in other Current Liabilities	297.93	29.59
	Increases/Decreases in other current assets	-82.45	-111.52
	Cash used in operations	-10729.23	-4169.00
	Direct Taxes Paid	-933.63	-623.54
	NET CASH USED IN OPERATING ACTIVITIES	-11662.86	-4792.11
B	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Purchases of Fixed Assets including Capital Advances	-1650.25	-127.96
	Increase/Decrease in Investments	0.00	0.00
	NET CASH USED IN INVESTING ACTIVITIES	-1650.25	-127.96
C	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
	Increase in Equity Share Capital	119.20	60.00
	Increase in Share Premium	596.00	240.00
	Increase in Share Application Money	0.00	0.00
	Increase in Long Term Borrowings	9297.31	5135.22
	Increase in Short Term Borrowings	8431.37	748.19
	Dividend Paid (including Tax on Dividend)	-27.00	-32.55
	NET CASH FROM FINANCING ACTIVITIES	18416.87	6150.86
	NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	5103.77	1230.79
	CASH & CASH EQUIVALENTS : OPENING BALANCE	3516.06	2285.27
	CASH & CASH EQUIVALENTS : CLOSING BALANCE	8619.83	3516.06

The accompanying notes 1 to 17 are an integral part of the Financial Statements

In terms of our attached report of even date

For A K Chordia & Co
Chartered Accountants
FRN: 002606C

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

-sd-
Rakesh Kumar Bakliwal
Partner
M. No. 071987



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(Rajiv Jain)
Whole Time Director
DIN: 00416121

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



UDIN:20071987AAAAFI4105
PLACE : JAIPUR
DATED : 30.06.2020

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(Lalit kumar Jain)
Independent Director
DIN : 07517615

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

DIGAMBER CAPFIN LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING ON 31ST MARCH 2020****Note Particulars****1. CORPORATE INFORMATION**

Digamber Capfin Limited is a limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 17 April 1995. The Company is promoted by Mr. Rajiv Jain & Mr. Amit Jain. The Company obtained permission from Reserve Bank of India for carrying on the business of Non Banking Financial Institutions. The Company is presently classified as Non Deposit taking NBFC-MFI (Microfinance Institution). Digamber Capfin Ltd is a Microfinance institution serving the economically active poor in urban, semi-urban and rural areas. Digamber Capfin Ltd holds a valid certificate of registration dated September 09, 1999 issued by the Reserve Bank of India. On application of the Company, RBI has changed its classification from NBFC –AFC to NBFC-MFI on dated September 06, 2013.

Digamber Capfin Limited having its registered office at Jaipur along with 149 Branches in 8 states across India as on March 31, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES**2.1 Accounting Concept**

The financial statements are prepared under the historical cost convention, as modified to include the revaluation of certain fixed assets, and have been prepared in accordance with the applicable Accounting Standards and relevant presentational requirements of the Companies Act, 2013. The Company follows prudential norms for income recognition, assets classification, and provisioning as prescribed by Reserve Bank of India vide Non Banking Financial (Non Deposit Accepting or Holding) Companies prudential Norms (Reserve Bank) Directions 2007.

2.2 Use of estimates

The preparation of the financial statements requires the management of the company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

2.3 Revenue Recognition

- a) Revenues are recognized and expenses are accounted on an accrual basis with necessary provisions for all known liabilities and losses. Income from Non Performing Assets is recognized only when it is realized. Income and expense under a bilateral assignment of receivables accrue over the life of the related receivables assigned. Interest Income & Expenses in the bilateral assignment of receivables are accounted on the gross basis.
- b) All income and expenditure items having a material bearing on the financial statements are recognized on accrual basis.

2.4 Property, Plant and Equipment – Depreciation and Amortization

Property, Plant and Equipment are stated at historical cost less accumulated depreciation. Cost comprises the acquisition price, inward freight, duties and other incidental costs of acquisition and installation which is directly attributable to the assets.

Depreciation on Property, Plant and Equipment has been provided on the Straight Line method on the basis of the useful life of assets as prescribed in part C of schedule II of the Companies Act. 2013.

2.5 Employee benefits

Company's contributions paid/payable during the year to the provident fund administered through Regional Provident Fund Commissioner, Superannuation Fund and Employees State Insurance Corporation are recognized in the statement of profit and loss.

The Company has a defined benefit gratuity plan. Every Employee who has completed five years or more of service is eligible for gratuity on departure and it is computed at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with LIC in the form of qualifying Insurance policy duly approved by the Income Tax Department.

2.6 Taxes on income

The income tax liability is provided in accordance with the provisions of the Income Tax Act, 1961. Deferred tax liabilities / Assets are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and Provisions for Bad & Doubtful Debts are recognized only if there is a virtual certainty that there will be sufficient future taxable income available to realize such assets.

2.7 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets or their value in use. After impairment, depreciation is provided on the revised carrying

amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.8 Borrowing Costs

Borrowing costs include interest and ancillary costs that the Company incurs in connection with the borrowings. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss.

2.9 Classification and Provision of Loan portfolio

Loan receivables are written off/provided for, as per management estimates, subject to the minimum provision required as per Non banking financial (Non Deposit Accepting or Holding) Companies prudential Norms (Reserve Bank) Directions, 2007

A. CLASSIFICATION OF LOANS

	Assets Classification	Period of Overdue
1.	Standard Assets (Performing Assets)	Not overdue or overdue for less than 90 days
2.	Non Performing Assets Non-performing assets (NPA)	
2.1	Sub Standard Assets	Overdue for 91 days and more but less than 180 days
2.2	Doubtful Assets	Overdue for 181 days and more
2.3	Loss Assets	Assets which are identified as loss assets by the company or the internal auditor or the external auditor or by the RBI.

"Overdue" refers to interest and /or principal and / or installment remaining unpaid from the day it became receivable

B. PROVISIONING NORMS FOR LOANS

S. No	Assets Classification	Provisioning as per RBI	Provisioning used by the Company
(a)	Outstanding loan portfolio	1.00%	1.44%
	Or		
(b)	Non Performing Assets		
	Sub-Standard Assets		
	91-180 Days	50.00%	50.00%
	Doubtful Assets		
	180 Days and More	100.00%	100.00%
	Loss Assets		
	>180 Days	100.00%	100.00%

Note: The aggregate loan provision to be maintained at any point of time shall not be less than the higher of (a) or (b) as indicated above.

2.10 Earnings per share

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

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

2.11 Provisions

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

2.12 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.13 Cash and cash equivalents

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

2.14 Current / non-current classification of assets / liabilities

The Company has classified all its assets/liabilities into current/non-current portion based on the time frame of 12months from the date of the financial statements. Accordingly, assets/liabilities expected to be realized /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as noncurrent

2.15 Segment information

The Company operates in a single business segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting specified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The Company operates in a single geographical segment i.e. domestic.

2.16 Capital Contracts

During the year the company has bid for purchases a plot of land for construction of office building in Jaipur from the Jaipur Development Authority which was successful in favor of the company. Accordingly, in pursuance of the bid, a plot measuring 1657 square meter of land is purchased for a total sum of `22,51,07,230.84 of which `14,21,73,766.00 has already been paid. Remaining amount of `8,29,33,464.84 has since been paid in the year 2020-21.

2.17 Previous year figures have been regrouped and rearranged wherever find necessary.

3.1 Share capital	March 31, 2020	March 31, 2019
	(`)	(`)
Authorized Equity Share Capital		
15000000 Equity Shares of Rs.10/- each	150000000.00	100000000.00
3000000 Optionally Convertible Preference Share of Rs. 10/-each	30000000.00	30000000.00
	180000000.00	130000000.00
Issued, Subscribed and Paid up Capital		
Equity Share Capital		
9876930 (8684930) Equity Shares of Rs.10/- par value	98769300	86849300
3000000 Optionally Convertible Preference Share of Rs 10/- each	30000000	30000000
	128769300	116849300
PAID UP SHARE CAPITAL		
9876930 (8684930) Equity Shares of Rs.10/- par value	98769300	86849300
3000000 Optionally Convertible Preference Share of Rs 10/- each	30000000	30000000
	128769300	116849300

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year				
Equity Shares	March 31, 2020		March 31, 2019	
	Number	(`)	Number	(`)
Outstanding at the beginning of the year	8684930.00	86849300.00	8084930.00	80849300.00
Add : Issued during the year	1192000.00	11920000.00	600000.00	6000000.00
Shares Outstanding at the end of year	9876930.00	98769300.00	8684930.00	86849300.00
9% Optionally Convertible Preference Shares				
Outstanding at the beginning of the year	3000000.00	30000000.00	3000000.00	30000000.00
Add : Issued during the year	0	0.00	0	0.00
Shares Outstanding at the end of year	3000000.00	30000000.00	3000000.00	30000000.00
b) Terms/rights attached to equity shares				
The Company has one class of equity shares having a par value of Rs 10/- per share. Each shareholder eligible for one vote per share held.				
c) Terms of conversion/redemption of preference shares				
The company has one class of preference shares i.e. 9% Optionally Convertible Cumulative Preference shares having face value of Rs 10/- each which is optionally convertible into equity shares .In case SIDBI decides not to convert OCPS into equity shares or converts only part of OCPS into equity, then OCPS would be redeemed in following manner:				
(i) 50% of outstanding OCPS at the end of 6th years from the date of disbursement				
(ii) Remaining outstanding at the end of 7th year.				
The OCPS share holder is entitled to receive dividend @ 9% per annum on preferential basis. Dividend if not paid will be cumulative in nature.				
d) No. of shares held by each shareholder holding more than 5% shares in the company are as follows:-				
Name of Share holders	March 31, 2020		March 31, 2019	
	Numbers	% of Holding	Numbers	% of Holding
Equity Shares of Rs. 10 each fully paid-up				
- Mr. Rajiv Jain	1705901	17.27	1691616	19.48
- Mr. Amit Jain	1496955	15.16	1496955	17.24

- Mrs Shweta Jain	920139	9.32	920139	10.59
- Mrs Shilpa Ajmera	754384	7.64	754384	8.69
- M/s Unibloom Mancon Pvt Ltd	1167000	11.82	0.00	0.00
Total	6044379	61.20	4863094	56.00
Optionally Convertible Preference Shares of Rs.10 each fully paid SIDBI	3000000	100.00%	3000000	100.00%
Total	3000000	100.00%	3000000	100.00%

3.2 Reserve and Surplus	March 31, 2020	March 31, 2019
	(`)	(`)
Special Reserve Fund		
Balance b/f	53692500.00	23192500.00
Additions	53800000.00	30500000.00
Less:Deduction	-	-
	107492500.00	53692500.00
Security Premium		
Balance b/f	143373250.00	119373250.00
Additions	59600000.00	24000000.00
Less:Deduction	-	-
	202973250.00	143373250.00
Profit & Loss Account		
Balance b/f	200967877.70	82512445.15
Amount Transferred from Statement of P&L	268551077.07	152210432.55
Less: Transferred to Special Reserve Fund	53800000.00	30500000.00
Proposed Dividend on Preference Shares	2700000.00	2700000.00
Dividend Distribution Tax	0.00	555000.00
	413018954.77	200967877.70
TOTAL	723484704.77	398033627.70

3.3 BORROWINGS	NON CURRENT PORTION		CURRENT PORTION	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	(`)	(`)	(`)	(`)
A.Unsecured Sub debt loan				
-Loan From Other Banks*	50000000.00	50000000.00	0.00	0.00
-Loan From FIs/ NBFCs	100000000.00	100000000.00	0.00	0.00
*Subordinated debt from IDFC First Bank (Erstwhile Capital first Limited) and MAS Financial Services shall be discounted appropriately for calculation of CRAR in terms of RBI guidelines.				
TOTAL (A)	150000000.00	150000000.00	0.00	0.00
B. Secured				
(a) Cash Credit Limit				
Secured by way of equitable mortgage of immovable assets of the Company and hypothecation of finance receivables and personally guaranteed by the directors of the Company and repayable on demand				
From PSU Banks	0.00	0.00	332125418.05	110775246.57
TOTAL (B) (a)	0.00	0.00	332125418.05	110775246.57
(b) Term Loan Limit				
Secured against Hypothecation of Book Debts, receivables created out of respective assistance and personal Guarantee of Directors and margin in terms of deposits (Short Term Liability is part of other Current Liability)				
-Loan From PSU	932456424.90	529602423.57	478033621.76	360013191.98

-Loan From Other Banks	442518249.35	527077879.47	359969036.98	308741039.50
-Loan From Fls/ NBFCs	1311614839.04	702901783.75	907497977.96	566938285.25
-Vehicle Loan	4137733.15	1414342.43	748009.85	330774.57
TOTAL (B) (b)	2690727246.44	1760996429.22	1746248646.55	1236023291.30
TOTAL (A+B)	2840727246.44	1910996429.22	2078374064.60	1346798537.87
Less-Current Maturity of Long term borrowings	0.00	0.00	1746248646.55	1236023291.30
TOTAL	2840727246.44	1910996429.22	332125418.05	110775246.57

3.4 Long Term Provisions	March 31, 2020	March 31, 2019
	(`)	(`)
Provision for Standard Assets	62227390.81	14500000.00
Provision for Non Performing Assets	7772606.19	35500000.00
Provision for Default Accounts treated Standard in Terms of RBI Circular dated 17.04.2020	232000.00	0.00
TOTAL	70232000.00	50000000.00

3.5 Other Current Liabilities	March 31, 2020	March 31, 2019
	(`)	(`)
Statutory Dues		
TDS Payable	5030898.00	280990.00
Good & Service Tax Payable	290065.92	1556427.93
ESI Payable	736879.00	712304.00
PF Payable	2580786.00	1144456.00
Dividend Distribution Tax	0.00	555000.00
Other Current Liabilities		
Current Maturity of Long term borrowings refer Note 3.3	1746248646.55	1236023291.30
Payable towards securitisation/assignment transactions	196290571.91	70622793.74
Proposed Dividend on 9% OCPS from SIDBI	2700000.00	2700000.00
Other Sundry Creditors	15183422.00	3080086.59
TOTAL	1969061269.38	1316985849.56

3.6 Short Term Provisions	March 31, 2020	March 31, 2019
	(`)	(`)
Tax Provision		
- Current Tax	0.00	1180000.00
TOTAL	0.00	1180000.00

4.0 Property, Plant & Equipments	March 31, 2020	March 31, 2019
	(`)	(`)
See Below		

DIGAMBER CAPFIN LTD								Asst. Year : 2020-2021	
Depreciation as per Company Act									
Particulars	Gross Block			Depreciation/ Amortization				Net block	
	As on 01.4.2019	Additions/ (Disposal)	Total	Upto 01.04.19	During FY 19-20	Total Depreciation on disposal	Total	As on 31.03.20	As on 31.03.19
Land at Mahapura	2390800.00	0.00	2390800.00	0.00	0.00	0.00	0.00	2390800.00	2390800.00
Flat at Identity	1762079.00	0.00	1762079.00	170760.73	27899.58	0.00	198660.31	1563418.69	1591318.27
Flat No 401 Jagatpura	4237591.00	0.00	4237591.00	346703.34	67095.19	0.00	413798.53	3823792.47	3890887.66
Office 102 Serenity Pradhan Marg, Jaipur	5557170.00	0.00	5557170.00	265895.52	87988.53	0.00	353884.05	5203285.96	5291274.48
J 54-55 Anand Moti	50291000.00	0.00	50291000.00	1666721.79	796274.17	0.00	2462995.96	47828004.04	48624278.21
Office Building Temporary Structure	0.00	3024661.00	3024661.00	0.00	64028.90	0.00	64028.90	2960632.10	0.00
Flat No 301 Jagatpura	1658800.00	0.00	1658800.00	7987.24	34323.53	0.00	42310.77	1616489.23	1650812.76
Office equipment	4786773.17	3027858.12	7814631.29	2547230.60	1413132.03	0.00	3960362.63	3854268.66	2239542.57
Visuals and projection	175400.00		175400.00	142917.22	6511.01		149428.23	25971.77	32482.78
Furniture & Fixtures	11626625.86	5720635.44	17347261.30	3766722.79	1395438.99	0.00	5162161.77	12185099.53	7859903.07
Motor Vehicles	3641149.00	3877622.00	7518771.00	15,62,382.18	806407.62		2368789.80	5149981.20	2078766.82
Computer	13909643.06	8724209.13	22633852.19	9736992.10	4464847.12		14201839.22	8432012.97	4172650.96
D.G Set	500400.00	0.00	500400.00	186117.18	47538.00	0.00	233655.18	266744.82	314282.82
A Total	100537431.09	24374985.69	124912416.78	20400430.69	9211484.66	0.00	29611915.35	95300501.43	80137000.40
B Intangible assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Software App in Process	0.00	1500000.00	1500000.00	0.00	0.00	0.00	0.00	1500000.00	0.00
D. Capital WIP									3023294.58
Grand Total- (A+B+C)	100537431.09	25874985.69	126412416.78	20400430.69	9211484.66	0.00	29611915.35	96800502.15	83160294.98
Previous Year Total - 2019	90647391.43	12913334.54	103560726	15699035.92	4812984.263	111590.12	20400430.06	83160295.91	74948355.51

4.1 Deferred Tax Asset	March 31, 2020	March 31, 2019
As per AS22, issued by the institute of Chartered Accountants of India, the provision for Deferred tax Assets as on 31st March, 2019 as under :-	(`)	(`)
(a) Asset - due to provisions for bad & doubtful debts	8134917.00	9077299.00
(b) Liability -Tax effect of Difference in WDV	-5057068.00	-3884772.00
(As Per Income Tax Act& Companies Act.)		
Net Deferred tax asset (a-b)	3077849.00	5192527.00
Deferred tax Asset on previous year	5192527.00	4526297.00
Net amount charged from P&L A/c	2114678.00	666230.00

4.2 Long Term loans and advances	March 31, 2020	March 31, 2019
	(`)	(`)
Joint Liability Group Loan*		
- Unsecured considered good	1567585491.67	1367687545.47
TOTAL	1567585491.67	1367687545.47

*The above include Micro Finance Loans subordinated as credit enhancement on assets derecognized amounting to Rs. 232734598.40. (P. Y.- 63016234.86)

4.3 Cash and Cash Equivalents	March 31, 2020	March 31, 2019
	(`)	(`)
Cash in Hand	494266.00	490983.00
Balances With Banks in Current Account	222496776.51	19325163.35
Fixed Deposit with Banks*	638991994.98	331789630.00
TOTAL	861983037.49	351605776.35

* The above include deposit amounting to Rs. 146315820.00 (P. Y. - 31508118.00) placed as credit enhancement (Cash collateral) towards assets derecognized.

4.4 Short Term loans and Advances	March 31, 2020	March 31, 2019
	(`)	(`)
Joint Liability Group Loan		
-Unsecured considered good	3297625464.93	2025210299.30
-Unsecured Substandard Loans	1037971.52	1280580.93
-Unsecured Doubtful Loans	6732239.46	28307031.23
Security Deposits		
-Unsecured considered good	36000.00	36000.00
Sundry Advances		
-To others	857202.00	1127002.00
TOTAL	3306288877.91	2055960913.46

4.5 Other Current Assets	March 31, 2020	March 31, 2019
	(`)	(`)
Prepaid Expenses	1285285.00	992063.02
Interest accrued on PTC transactions	9644062.75	9338076.85
Sundry advances and receivables	1061037.00	0.00
Advance for purchase of property	142173766.00	0.00
Income tax refund receivable	8259348.14	0.00
Accrued Interest	66240681.53	30883255.00
TOTAL	228664180.42	41213394.87

5.0 Revenue from Operations	March 31, 2020	March 31, 2019
	(`)	(`)
Interest Earned on JLG Loans	1071263972.89	748086264.47
Interest Earned on Others	3745876	399265.29
Excess interest spread on securitization/income from assignment	257125375.41	21815019.22
Processing Fee	73889160.00	43161940.00
TOTAL	1406024834.80	813462488.98

5.1 Other Income	March 31, 2020	March 31, 2019
	(`)	(`)
Misc. Receipts	1987469.94	22148.21
Interest on Fixed Deposit	29800993.98	16003102.80
Income From Product Supply	85532.00	240009.00
Recovery from Written off Accounts	1990109.03	303057.01
TOTAL	33864104.95	16568317.02

5.2 Employee Benefits Expenses	March 31, 2020	March 31, 2019
	(`)	(`)
Salary to Staff	265263564.00	123398181.00
ESI Contribution	7578174.00	4427811.00
PF Contribution	13377538.00	2617436.00
Gratuity	6333473.00	1253067.00
Conveyance Allowance	187904410.00	9784994.00

Incentives to Staff	4665686.00	7705787.00
Director Remuneration	26000000.00	6240000.00
Staff Recognition Awards	386933.00	0.00
TOTAL	342395809.00	155427276.00

5.3 Finance Costs	March 31, 2020	March 31, 2019
	(`)	(`)
Interest on Loans	511973843.66	343109881.79
Bank Charges	1522721.93	967111.01
Other Finance Cost	40018110.00	20714811.28
Interest Accrued but not due	10224303.00	4481767.00
TOTAL	563738978.59	369273571.08

5.4 Depreciation and amortization expenses	March 31, 2020	March 31, 2019
	(`)	(`)
Depreciation on Tangible Assets as per depreciation chart vide Schedule 4.0	9211484.66	4812984.26
TOTAL	9211484.66	4812984.26

5.5 Administrative Expenses	March 31, 2020	March 31, 2019
	(`)	(`)
Administrative and General Expenses		
Electricity & Water Expenses	2889068.74	1776864.26
Insurance Expenses	3199753.53	835270.02
Legal & Professional Charges	47167376.48	11510681.18
Postage Expenses	513233.38	317674.70
Printing & Stationery	5506695.91	2662201.85
Periodicals & Newspapers Exp.	4624.00	4558.00
Rent ,Rates & Taxes	16100708.00	8041127.00
Repairs and Maintenance Expenses	2404548.65	2600765.76
Telephone Expenses	1076773.18	838487.85
Travelling & Conveyance	10013948.42	5040254.48
Carriage and freight charges	208388.00	96339.00
Loss by Robbery	570121.00	236680.00
Payment to Auditors	771670.00	510000.00
Staff welfare expenses	986343.00	452670.00
CSR Expenses	3350000.00	0.00
Other Administrative & General Expenses		
Sundry Expenses	4785884.31	2866061.65
Selling and Distribution Expenses		
Advertisement	2250703.61	1851402.64
Web Site & Software Expenses	7498892.20	4852210.28
TOTAL	109298732.41	44493248.67

Payment to Auditors	March 31, 2020	March 31, 2019
	(`)	(`)
Audit Fees	272500.00	250000.00
Tax Audit	38150.00	35000.00
Tax Matters	65400.00	60000.00
Certification Fees	395620.00	165000.00
TOTAL	771670.00	510000.00

5.6 Provisions & Write Off	March 31, 2020	March 31, 2019
	(`)	(`)
Bad Debts written off	33098180.02	26959435.94
Provision for Non Performing Assets	0.00	0.00
Provision for Standard Assets	20000000.00	14500000.00
Provision for Default Accounts treated Standard in Terms of RBI Circular dated 17.04.2020	232000.00	0.00
TOTAL	53330180.02	41459435.94

5.7 Tax Expenses & Provision	March 31, 2020	March 31, 2019
	(`)	(`)
Current Tax	91248000.00	63020087.50
Deferred Tax	2114678.00	-666230.00

5.8 Disclosures relating to Securitization :		
During the year the company sold its portfolio loans through securitization arrangements. The information regarding the securitization activity as an originator are shown as under :		
Particulars	March 31, 2020	March 31, 2019
Total number of loans securitised	50101	25064
Book value of loans securitised during the year	1572799406.89	630162348.56
Sale consideration received for loans securitised	1403081043.33	567146113.70
MFI Loans Subordinated as Credit Enhancement on Assets Derecognised	169718363.56	63016234.86
Gain / (loss) on the securitization transaction recognised in P&L	-	-
Gain / (loss) on the securitization transactions deferred	-	-
Quantum of Credit Enhancement provided on the transactions in the form of deposits	114807702.00	31508118.00
Quantum of Credit Enhancement as at year end	114807702.00	31579905.00
Interest spread Recognised in the Statement of Profit and Loss during the Year (including amortization of Unamortized Income)	173476164.80	9338076.85

As per RBI guidelines on securitization DNBR (PD) CC. No.002/03.10.001/2014-15 dated November 10, 2014 the details of securitization are given below:

Particulars	March 31, 2020	March 31, 2019
1 No of SPVs sponsored by the NBFC MFI for securitization transactions	4	1
2 Total amount of securitised assets as per book of the SPVs sponsored by the NBFC as on the balance sheet date	1128018959.28	591375429.78
3 Total amount of exposures retained by the NBFC 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 (In the form of Fixed Deposit)	146315820.00	31508118.00
• Over Collateralization	232734598.40	63016234.86
4 Amount of exposures to securitization transactions other than MRR		
a) Off -balance sheet exposures		
i) Exposure to own securitization		
• First Loss	-	-
• Others	-	-
ii) Exposure to third party securitization		
• First Loss	-	-
• Others	-	-
b) On -balance sheet exposures		
i) Exposure to own securitization		
• First Loss	-	-
• Others	-	-
ii) Exposure to third party securitization		
• First Loss	-	-
• Others	-	-

5.9 Details of assignment transactions undertaken:		
Particulars	March 31, 2020	March 31, 2019
Number of Accounts	63569.00	10162.00
Aggregate value (net of provision) of accounts sold	1765191447.00	235525247.00
Aggregate consideration	1765191447.00	235525247.00
Additional consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain or loss over net book value	-	-
Income recognised in the Statement of Profit and Loss during the Year	83649210.61	12476942.37

5.10 Earnings per equity shares	March 31, 2020	March 31, 2019
Profit after Tax	268551077.07	152210432.55
Dividend	2700000.00	2700000.00
Dividend Distribution Tax	0.00	555000.00
Weighted average no of equity shares	8903138.00	8091505.00
Basic earnings per share	29.86	18.41
Diluted earnings per Share	28.99	17.64

Note 6: Rs. 2, 60, 00, 000/- (P.Y. Rs. 62, 40,000/-) were paid in the form of remuneration to directors of the company.

Note 7: Expenditure in foreign currency is NIL (P.Y. was NIL)

Note 8: Disclosures under accounting standards

A.	Related Party Disclosure	
S No.	Name of party	Relation
1	Rajiv Jain	Key Management Personnel
2	Amit Jain	Key Management Personnel
3	Shilpa Ajmera	Relative of Key Management Personnel
4	Shweta Jain	Relative of Key Management Personnel

B.	Transactions incurred between Related Parties				
	Particulars	As on 31.03.2020		As on 31.03.2019	
	Expenses	Key Management Personnel	Relative of Key Management Personnel	Key Management Personnel	Relative of Key Management Personnel
1	Director Remuneration	26000000.00	-	6240000.00	-
	-Mr. Rajiv Jain				
	Salary	6000000.00	-	3120000.00	-
	Commission	7000000.00	-	-	-
	-Mr. Amit Jain				
	Salary	6000000.00	-	3120000.00	-
	Commission	7000000.00	-	-	-
2	Salary To Staff	-	4800000.00	-	2400000.00
	-Mrs Shilpa Ajmera	-	2400000.00	-	1200000.00
	-Mrs. Shweta Jain	-	2400000.00	-	1200000.00

Further in respect of Rule 16A of the Companies (Acceptance of Deposits) Rules 2014 with reference to the notification dated 29.06.2016, Company does not accept any amount as an unsecured loan from directors of the Company.

Note 9: Special Reserve U/S 45-IC of Reserve Bank of India Act, 1934.

During the year the company has transferred special reserve of ` 53800000 (P.Y. ` 30500000.00) from statement of profit and loss. The balance as on 31-03-2020 of special reserve is ` 107492500.00 (P.Y. ` 53692500.00). The reserve is created in accordance with the requirement of Section 45-IC of the Reserve Bank of India Act, 1934.

Note 10: Assets Classification and Movement of Provision for Standard & Non Performing Assets

		March 31, 2020	March 31, 2019
	Classification of Assets	(`)	(`)
A.	Standard Assets (up to 90 days)	4865208561.39	3360764864.91
B.	Sub Standard Assets (91 to 180 Days)	1040367.25	1280580.93
C.	Doubtful Assets (>180 Days)	6732238.93	28307031.23
	TOTAL	4872981167.58	3390352477.07

As per Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, Company has created provisions for standard Assets as well as Non-Performing Assets as per table below:

	Particulars	March 31, 2020 (₹)	March 31, 2019 (₹)
1.0	PROVISION FOR STANDARD ASSETS		
1.1	Standard Assets	4865208561.39	3360764864.91
	Provisions at the beginning of the year	14500000.00	0.00
	Additional Provisions made during the year	20000000.00	14500000.00
	Excess NPA provision transferred into standard asset Provision	27727393.81	
	Provision at close of the year (A)	62227393.81	50000000.00
2.0	PROVISION FOR NON PERFORMING ASSETS		
2.1	Sub Standard Assets	1040367.25	1280580.93
2.2	Doubtful Assets	6732238.93	28307031.23
	Total Non Performing Assets	7772606.19	29587612.16
	Provisions at beginning of the year	35500000.00	35500000.00
	Additional Provisions made during the year		
	(Excess NPA provision transferred to standard asset provision)	(27727393.81)	0.00
	Provision at close of the year (B)	7772606.19	0.00
3.0	Provision for Default accounts treated Standard in terms of RBI Circular dated 17.4.2020	232000.00	0.00
	Provision at close of the year (C)	232000.00	0.00
	Gross Provisions (A+B+C)	70232000.00	50000000.00

Note 11: Additional Disclosures required by RBI:

Capital to Risk Ratio (CRR)

Particulars	March 31, 2020 (₹)	March 31, 2019 (₹)
Tier I Capital	822254004.77	484882927.70
Tier II Capital	210232000.00	220000000.00
TOTAL	1032486004.77	704882927.70
Total Risk Weighted Assets	5203996278.60	3473512772.97
Capital Ratios		
Tier I Capital as a percentage of Total Risk Weighted Assets (%)	15.80%	13.96%
Tier II Capital as a percentage of Total Risk Weighted Assets (%)	4.04%	6.33%
Total Capital (%)	19.84%	20.29%
Amount of subordinated debt raised as Tier-II capital	110000000.00	140000000.00
Amount raised by issue of Perpetual Debt Instruments	0.00	0.00

Note 12: Investments

The Company has no investments in India or outside India in current and previous year.

Note 13: Derivatives

- **Forward Rate Agreement/Interest Rate Swap:**
The company has no transactions/exposure in forward rate agreement/interest rate swap during the year 2019-20 and 2018-19.
- **Exchange Traded Interest Rate (IR) Derivatives:**
The company has no transactions/exposure in exchange traded interest rate (IR) derivatives during the year 2019-20 and 2018-19.
- **Currency derivatives and interest rate derivatives:**
The Company has no transactions/exposure in currency or interest rate derivatives during the year 2019-20 and 2018-19.

Note 14: Details of non-performing financial assets purchased / sold

The company has neither purchased nor sold any non performing financial asset during 2019-20 and 2018-19.

Note 15: Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

For the year 2019-20	Upto 30 /31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances*	1.01	4.83	24.48	113.28	186.94	155.46	0.27	0.14	486.41
Cash & cash Equivalents	22.30	0.18	0.35	3.21	13.23	41.31	5.62	0.00	63.90
Borrowings	2.03	2.03	18.89	52.60	99.08	243.41	25.55	0.12	443.70
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

For the year 2018-19	Upto 30 /31 days	Over month 1 upto 2 Month	Over months 2 upto 3 months	Over month 3 upto 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	25.87	23.85	20.52	55.63	79.55	136.49	0.24	0.23	342.38
Cash & cash Equivalents	2.98	0.00	0.18	4.75	9.46	17.33	0.45	0.00	33.18
Borrowings	10.40	8.10	10.20	30.58	64.32	169.05	7.05	0.00	299.70
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

Note 16: Exposures

- Exposure to Real Estate Sector:**

The Company has no exposure to real estate sector as on March 31, 2020 and March 31, 2019.

- Exposure to Capital Market:**

The Company has no exposure to capital market as on March 31, 2020 and March 31, 2019.

- Advances against intangible security:**

No finance has been made against the collateral of intangible security such as rights, licenses, authorizations, etc. in respect of projects (including infrastructure projects) during the year 2019-20 and 2018-19.

Note 17: Miscellaneous

- The Company has not obtained registration from other financial sector regulators except Reserve Bank of India.
- No penalties were imposed by the regulator during the year during the financial year ended March 31, 2020. (March 31, 2019: Nil)

Note 18: Ratings assigned by credit rating agencies and migration of ratings during the year

The Company has been assigned following credit rating from all rating agencies during the financial year ended March 31, 2020: -

Particulars	Rating Assigned	Rating Agency	Date of Rating	Validity upto
Current Rating	BBB+Outlook: Stable	Brickwork Ratings India Pvt Ltd	February 04, 2020	February 03, 2021
Previous Rating	BBBOutlook: Stable	Brickwork Ratings India Pvt Ltd	January 28, 2019	January 27, 2020

Particulars	Grading Assigned	Rating Agency	Date of Rating	Validity upto
Current Grading Cum COCA	M2C1	CARE Rating Agency	January 21, 2020	January 20, 2021
Previous Grading Cum COCA	M2C1	CARE Rating Agency	October 01, 2018	September 30, 2019

Note 19: Transaction with non executive director

Name of Non-Executive Director	Designation	Particulars	2019-20	2018-19
Jatin Chhabra	Non Executive Director	Sitting Fees	88880.00	0.00
Dharmendra Saxena	Non Executive Director	Sitting Fees	5555.00	0.00
Lalit Jain	Independent Director	Sitting Fees	22220.00	0.00
Nayan Ambali	Independent Director	Sitting Fees	33330.00	11110.00

Note 20: Provisions and contingencies

Particulars	2019-20	2018-19
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss	53330180.02	78139435.94
Provisions for depreciation on Investment	0.00	0.00
Provision towards NPA	0.00	0.00
Provision made towards Income tax	0.00	1180000.00
Other Provision and Contingencies (with details)		0.00
Bad debts written off	33098180.02	26959435.94
Provision for Default Accounts treated Standard in Terms of RBI Circular dated 17.04.2020	232000.00	0.00
Provision for Standard Assets	20000000.00	50000000.00

Note 21: Draw Down from Reserves:

No reserves have been draw down during the financial year 2019-20 and 2018-19.

Note 22: Concentration of Deposits, Advances, Exposures and NPAs

Particulars	2019-20	2018-19
Concentration of Deposits	Being non deposit taking NBFC, same is not applicable on the company	
Concentration of Advances	Refer note below	Refer note below
Concentration on of Exposures	Refer note below	Refer note below
Concentration of NPA	Refer note below	Refer note below

The Company operates in the business of microfinance providing collateral free loans for fixed amounts ranging from Rs.15000 to Rs.50000 to women engaged in various income generating activities. As at 31 March 2020, the Company has provided approx 99.75% loansto women and hence, the disclosure relating to concentration to advances, exposures and NPA's are not applicable on company.

Note 23: Sector-wise NPAs

Particulars	2019-20	2018-19
Agriculture & allied activities	0.13%	0.40%
MSME	0.03%	0.10%
Services	0.00%	0.15%
Others	0.00%	0.21%
Total	0.16%	0.86%

Note 24: Movement of NPAs

S. No	Particulars	2019-20	2018-19
(i)	Net NPAs to Net Advances (%)	0.00%	0.00%
(ii)	Movement of NPAs(Gross)		
	(a) Opening balance	2.96	3.92
	(b) Additions during the year	1.33	1.73
	(C) Reductions during the year	0.20	0.00
	(d) Write off	3.31	2.69
	(e) Closing balance	0.78	2.96
(iii)	Movement of Net NPAs		
	(a) Opening balance	0.00	0.37
	(b) Additions during the year	0.00	0.00
	(C) Reductions during the year	0.00	0.37
	(d) Closing balance	0.00	0.00
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	3.55	3.55
	(b) Additions during the year	0.00	0.00
	(C) Reductions during the year	2.77	0.00
	(d) Closing balance	0.78	3.55

Note 25: Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The company does not have any joint venture or subsidiary overseas during the year 2019-20 & 2018-19.

Note 26: Off-balance Sheet SPVs sponsored

The company does not have any off balance sheet SPV sponsored either domestic or overseas during the year 2019-20 and 2018-19.

Note 27: Disclosure of Complaints

- Customer Complaints**

S. No	Particulars	2019-20	2018-19
(a)	No. of complaints pending at the beginning of the year	Nil	Nil
(b)	No. of complaints received during the year	2	4
(C)	No. of complaints redressed during the year	2	4
(d)	No. of complaints pending at the end of the year	Nil	Nil

Note 28: The balances of loans and advances and sundry creditors are subject to confirmation and taken on book balances.

Note 29: As per the information available with the company, none of its creditors comprise Small Scale Industrial Undertaking to which the company owes dues, which are outstanding for more than 30 days as at the Balance sheet date. Further none of the creditors fall under the category of micro, small and medium enterprises which comprise amount outstanding for more than 45 days as at the Balance Sheet date.

Note 30: Disclosure, as required in terms of paragraph 13 of Non-Banking Financial (Non-deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions 2007, is as under:

Sr. No	Particulars	Amount Outstanding (`)	Amount Overdue (`)
1	Liabilities Side		
	Loans And Advance Availed by Non-Banking Financial Company inclusive of interest accrued thereon but not paid		
A.	Debentures		
	Secured		
	Unsecured (other than falling within the meaning of Public Deposits)		
B	Deferred Credits		
C	Term Loan from Banks	4436975892.99	0.00
D	Inter Corporate Loans and Borrowings (Subordinate debt)	150000000.00	0.00
E	Commercial Papers		
F	Other Loans	332125418.05	0.00
2	Assets Side	Amount Outstanding	
	Breakup of Loans and Advances including Bills receivables (other than those including in 4 below)		
A	Secured	-	
B	Unsecured		4872981167.58
3	Breakup of Leased Assets and stock on hire and other Assets counting towards AFC activities (Stock on Hire and Microfinance)		
	Leased Assets including lease rentals under Sundry Debtors		-
A	Financial Lease		-
B	Operating Lease		-
	Stock On Hire including hire charges under Sundry Debtors		
A	Assets on Hire		-
B	Repossessed Assets		-
	Other Loans counting towards AFC Activities		
A	Loans where assets have been repossessed		-
B	Loans Other than A above		-
4	Breakup of an Investment		
	Current Investment		
	<u>Quoted</u>		
A	Shares		-
a	Equity		-
b	Preference		-
B	Debentures and Bonds		-
C	United of Mutual Funds		-
D	Government Securities		-
E	Others		-
	<u>Unquoted</u>		
A	Shares		-
a	Equity		-
b	Preference		-
B	Debentures and Bonds		-
C	United of Mutual Funds		-
D	Government Securities		-
E	Others		-
	Long Term Investment		
	<u>Quoted</u>		
A	Shares		
a	Equity		
b	Preference		
B	Debentures and Bonds		-
C	United of Mutual Funds		-
D	Government Securities		-
E	Others		-
	<u>Unquoted</u>		-

A	Shares		-
a	Equity		-
b	Preference		-
B	Debentures and Bonds		-
C	United of Mutual Funds		-
D	Government Securities		-
E	Others		-
5	Borrower Group wise Classification of assets Finance as in 2 and 3 above		
	Category	Secured	Unsecured
	Related parties (As per accounting Standard of ICAI)		
	A	Subsidiaries	-
	B	Companies in the same Group	-
	C	Other Related parties	-
	D	Other than Related parties	-
			4872981167.58
	Total	-	4872981167.58
6	Investor Group Wise Classification of all Investments (current and long term) in shares and securities (both quoted and unquoted)		
	Category	Market Value/ Breakup of fair value NAV	Book Value (Net of Provisions)
	Related parties (As per accounting Standard of ICAI)		
	A	Subsidiaries	-
	B	Companies in the same Group	-
	C	Other Related parties	-
	D	Other than Related parties	-
		Total	-
7	Other Information	Amount in `	
	Gross nonperforming assets		
A	Related Parties	-	
B	Other than related parties	7770210.46	
	Net Non performing assets		
A	Related Parties	-	
B	Other than related parties	-	
	Assets acquired in satisfaction Debts	-	
Signed for Identification Schedule 1 to 30			
For AK CHORDIA & CO Chartered Accountants FRN-002606C		For and on behalf of the Board of Directors of Digamber Capfin Ltd	
-sd- (CA Rakesh Kumar Bakliwal) Partner M. No.071987 Jaipur UDIN:20071987AAAAFI4105	-sd- (Rajiv Jain) Whole Time Director DIN: 00416121	-sd- (Amit Jain) Whole Time Director cum CFO DIN: 00416133	-sd- (Neha Agarwal) Company Secretary M. No. A35576
	-sd- (Lalit Kumar Jain) Independent Director DIN: 07517615		

