

INDEPENDENT AUDITOR'S REPORT

To,

The Members of Techfino Capital Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Techfino Capital Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, the Statement of Profit and Loss, the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profits and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ('SA') 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 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.

Emphasis of Matter

We draw attention to note number 23.10 of the financial statement of the Company with respect to separate software module maintained for processing, disbursement and recovery of loans and revenue generated from such loans. The Company reconciles the same on a periodical basis and are updated in the books of account.



Further, we draw attention to note number 23.11 of the financial statement of the Company which states that the Employees State Insurance Act, 1948 has become applicable to the Company during the financial year. As explained to us, the Company has obtained the registration after the end of the financial year and is in the process of paying the arrears along with applicable interest and penalty. Consequently, we are unable to comment on the impact if any, on the results of the Company for the year.

We also draw attention to note number 23.13 of the financial statements of the Company with respect to financial impact on the Company due to COVID-19 pandemic. Based on the explanation and information provided to us and based on the verification of books of accounts, there is no significant impact on the business of the Company.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Information other than the financial statements and auditors' 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 Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Management's responsibility for the standalone financial statements

The Company's board of directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 standalone financial statement 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the 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 but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting 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 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 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.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("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 1, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2) As required by section 143(3) of the Act, we report that:
 - a) We have 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 appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



- e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013;
- f) The reporting requirement on the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls under section 143(3)(i) of the Act shall not apply to the company as notified by the Ministry of Corporate Affairs vide notification G.S.R.583 (E) dated June 13, 2017;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) As per the information provided to us there were no pending litigations and hence no impact on its financial position as on the date of financial statements.
 - ii) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to investor Education and Protection Fund by the Company.

for **Devas & Venu**
Chartered Accountants
Firm Reg. Number: 014057S



Vinayak Devas
Partner
Membership Number: 225341



Place: Bengaluru
Date: September 28, 2021

UDIN: 21225341AAAA DU5433

Annexure 1 to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details of fixed assets.
- (b) According to the information and explanation given to us, fixed assets were physically verified by the management in accordance with the regular programme of verification which in our opinion provides for a physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property as on March 31, 2021, and accordingly the requirements under paragraph 3(i)(c) of the Order are not applicable to the company and hence not commented upon.
- (ii) The Company is in the business of providing Non-Banking Financial Services and consequently, does not hold any inventory. Accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanation given to us and on the basis of our examination of the books of accounts, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) (a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) According to the information and explanation given to us and on the basis of our examination of the books of accounts, the Company has not granted any loans, made any investments, given any guarantee and securities covered under section 185 and 186 of the Companies act, 2013. Accordingly, paragraph 3 (iv) of the Order are not applicable to the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under. Therefore, in our opinion, the provisions of Clause 3(vi) of the Order are not applicable to the Company.

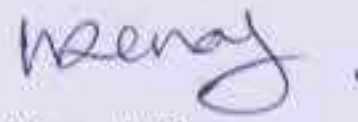


- (vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, except for the ESI contribution of Rs. 21,155/- (which includes employer contribution of Rs. 17,186/- and employee contribution of Rs. 3,969/-) and except for delay in deducting and remitting tax at source, the Company is regular in depositing with appropriate authorities, undisputed statutory dues including income tax, goods and services tax, cess and any other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, except for the ESI contribution of Rs. 6,377/- (which includes employer contribution of Rs. 5,181/- and employee contribution of Rs. 1,196/-), no undisputed amounts payable in respect of income tax, sales tax, service tax, value added tax, goods and services tax, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, goods and services tax, duty of customs, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks or dues to debenture holders. There are no loans or borrowings from Government.
- (ix) The Company has raised Rs. 5,00,00,000/- by way of term loan from Banks and NBFCs during the year. The borrowed money was applied for the purposes for which those are raised. Further, there was no initial public offer or further public offer (including debt instruments) made during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) The Company is a Private Limited Company. Hence, requirements under paragraph 3(xi) of the order are not applicable to the Company and hence not commented upon.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



- (xiv) According to the information and explanations given to us, the company has made private placement of 10,50,000 equity shares of Rs. 10/- each which was fully paid and 15,00,000 preference shares of Rs. 10/- each which was partly paid during the year under review and the requirement of section 42 of the Companies Act, 2013 have been complied with. Further, the amount raised have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained by the Company.

for Devas & Venu
Chartered Accountants
Firm Reg. Number: 014057S


Vinayak Devas
Partner
Membership Number: 225341



Place: Bengaluru
Date: September 28, 2021

UDIN: 21225341AAADU 5433

Balance Sheet as at 31st March, 2021

Amounts in ₹

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
A. Equity and Liabilities			
1. Shareholders' Funds			
a. Share Capital	3	7,20,00,000	6,00,00,000
b. Reserves and Surplus	4	6,54,263	(37,50,162)
		<u>7,26,54,263</u>	<u>5,62,49,838</u>
2. Non Current Liabilities			
a. Long term Borrowings	5	1,57,97,260	-
b. Deferred tax liabilities (Net)	6	86,243	1,13,702
c. Long Term Provisions	7	1,65,541	-
		<u>1,60,49,044</u>	<u>1,13,702</u>
3. Current Liabilities			
a. Short term borrowings	8	1,72,32,897	-
b. Other Current Liabilities	9	1,82,75,222	2,81,111
c. Short Term Provisions	10	2,14,781	-
		<u>3,57,22,900</u>	<u>2,81,111</u>
Total		12,44,26,207	5,66,44,651
B. Assets			
1. Non Current Assets			
a. Property, Plant and Equipments	16	4,76,400	3,35,149
b. Intangible assets	16	21,36,106	31,26,161
c. Long-term loans and advances	11	2,00,000	2,00,000
		<u>28,12,506</u>	<u>36,61,310</u>
2. Current Assets			
a. Current Investments	12	6,39,762	2,15,95,865
b. Cash and Cash Equivalents	13	2,78,08,278	8,17,501
c. Short Term Loans and Advances	14	9,22,14,478	3,03,57,975
d. Other current Assets	15	9,51,183	2,12,000
		<u>12,16,13,701</u>	<u>5,29,83,341</u>
Total		12,44,26,207	5,66,44,651

Significant accounting policies and notes to the financial statements

1-23

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

Vinayak Devas
Partner

Membership No. 225344

Place: Bengaluru
Date: 28-Sep-2021



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

Jayaprakash Patra
Director
DIN: 08173623

Rajesh Kumar Panda
Director
DIN: 08682733

Ratikanta Satapathy
Director
DIN: 08285737

Place: Bengaluru
Date: 28-Sep-2021

Place: Bengaluru
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Date: 28-Sep-2021



Statement of Profit and Loss for the year ended 31st March, 2021

Amounts in ₹

Sl. No.	Particulars	Note No.	Year Ended 31st March 2021	Year Ended 31st March 2020
I	Revenue from Operations	17	2,08,42,826	26,09,286
II	Other Income	18	16,20,743	7,26,785
III	Total Revenue (I+II)		2,24,63,569	33,36,071
IV	Expenses:			
	Employee Benefit Expense	19	95,71,363	16,37,491
	Depreciation and Amortization	16	11,08,072	7,12,222
	Loan Provision and Write Offs	20	5,94,980	7,97,765
	Finance Cost	21	17,21,525	36,435
	Other Expenses	22	39,90,663	37,06,464
	Total Expenses (IV)		1,69,86,603	68,90,377
V	Profit before Exceptional and extraordinary items and tax (III - IV)		54,76,966	(35,54,306)
VI	Exceptional Item			
VII	Profit before Extraordinary items and tax (V - VI)		54,76,966	(35,54,306)
VIII	Extraordinary items			
IX	Profit before tax (VII - VIII)		54,76,966	(35,54,306)
X	Tax Expense			
	1. Current Tax		11,00,000	-
	2. Deferred Tax		(27,459)	(1,13,702)
XI	Profit (Loss) for the period from continuing operations (IX-X)		44,04,425	(36,68,008)
XII	Profit / (Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit / (Loss) from discontinuing operations (after tax)(XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		44,04,425	(36,68,008)
XVI	Earnings per Equity Share			
	1. Basic		0.73	(0.61)
	2. Diluted		0.73	(0.61)
	Significant accounting policies and notes to the financial statements	1-23		

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

Vinayak Devas
Partner
Membership No. 225341

Place: Bengaluru
Date: 28-Sep-2021



for and on behalf of the Board of Directors of
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Director
DIN: 08173623

Place: Bengaluru
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Ratikanta Satapathy
Director
DIN: 08285737

Place: Bengaluru
Date: 28-Sep-2021



Statement of Cash Flows for the year ended 31st March, 2021

Amounts in ₹

Particulars	Year Ended 31-Mar-21	Year Ended 31-Mar-20
I. Cash flow from operating activities		
Net profit after tax	44,04,425	(36,68,008)
adjustments for:		
Income Tax	11,00,000	-
Deferred Tax	(27,459)	1,13,702
Depreciation	11,08,072	7,12,222
Gratuity	1,65,541	-
Provision for Standard Assets and NPA	5,94,980	-
Capital Gain	(5,80,403)	-
Dividend Income	(4,94,549)	-
Interest income	(15,201)	(4,38,105)
	18,50,981	3,87,819
Operating profit before working capital changes	62,55,406	(32,80,189)
Adjustments for:		
Decrease/(Increase) in other assets	(7,39,183)	(1,19,188)
Decrease/(Increase) in long term loans and advances	-	(1,90,000)
Decrease/(Increase) in short term loans and advances	(6,24,51,483)	(2,96,13,400)
(Decrease)/Increase in provisions	24,67,050	7,97,766
(Decrease)/Increase in other liabilities	37,91,371	1,22,036
Cash generated from operations	(5,06,76,838)	(3,22,82,975)
Less: Income tax paid (net off refund)	8,21,187	-
Net cash flow from operating activities	(5,14,98,025)	(3,22,82,975)
II. Cash flow from investing activities		
Interest received	15,201	4,38,105
Purchase of Mutual Fund	(7,02,52,966)	(2,15,95,865)
Sale of Mutual Fund	8,92,58,390	-
Dividend Income	4,94,549	-
Payments for acquisition of property, plant and equipment	(2,59,268)	(41,73,532)
	1,92,55,906	(2,53,31,292)
Net cash used in investing activities	1,92,55,906	(2,53,31,292)
III. Cash flow from financing activities		
Proceeds from issue of share capital	1,20,00,000	3,80,00,000
Proceeds /(Repayment) of borrowings	4,72,32,897	-
Net cash used in financing activities	5,92,32,897	3,80,00,000
Net increase in cash & cash equivalents	2,69,90,778	(1,96,14,267)
Cash and cash equivalents as at the beginning	8,17,501	2,04,31,769
Cash and cash equivalents as at the end of the period	2,78,08,278	8,17,501
Cash & cash equivalents as on :	31st March, 2021	31st March, 2020
Cash in hand	-	-
Cash at bank	2,78,08,278	8,17,501
Cash & cash equivalents as stated	2,78,08,278	8,17,501

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

Vinayak Devas
Vinayak Devas
Partner
Membership No. 225341

Place: Bengaluru
Date: 28-Sep-2021



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

Jayaprakash Patra
Jayaprakash Patra
Director
DIN: 08173623

Place: Bengaluru
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Rajesh Kumar Panda
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Place: Bengaluru
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Ratikanta Satapath
Ratikanta Satapath
Director
DIN: 08285737

Place: Bengaluru
Date: 28-Sep-2021

Notes to the financial statements

1 Company Overview

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

2 Significant Accounting Policies

2.01 Basis of accounting and preparation of financial statements

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

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

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

2.02 Use of estimates

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

2.03 Property, Plant and Equipments

a) Property, Plant and Equipments are stated at cost, less accumulated depreciation / amortisation. Costs include all expenses incurred to bring the asset to its present location and condition.

Depreciation is provided as per the life of the assets specified under Schedule II of the Companies Act, 2013. Depreciation on additions to assets or sale/disposal is calculated on pro-rata basis on the number of days assets have been put to use. Further, assets having an original cost of less than Rs. 5,000 individually are fully depreciated in the year of purchase.

2.04 Revenue recognition

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

- a) Interest income from retail loan transactions is recognised on an accrual basis over the period of the contract by applying the interest rate implicit in such contracts.
 - b) Service charges and other fees on loan transactions are recognised at the commencement of the contract.
 - c) Income from operating lease is recognised in the statement of profit and loss as per contractual rentals unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished.
 - d) Commission and brokerage income: Commission and brokerage income earned for the services rendered are recognised as and when they are due.
 - e) Subvention income on loan transactions are recognised upon disbursement of the same.
- Income from investments:
- Dividend from investments is accounted for as income when the right to receive dividend is established.
 - Interest income from investments is accounted on accrual basis.



Notes to the financial statements

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

a) The provisioning / write-off on overdue assets

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

b) Provision on standard assets

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

2.06 Foreign currency transactions and translations

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

2.07 Investments

Investments are classified into non-current and current investments.

a) Non-Current Investments:

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

b) Current Investments:

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

2.08 Employee Benefits

(a) Gratuity: Employees serving the Company for a minimum of 5 years are eligible for gratuity which is calculated as per provisions of law. The compensation due under the laws is in the nature of defined benefit, payable based on last drawn salary and number of years served with the employer. The Company has made the provision for Gratuity as per the Gratuity Act.

(b) Contributions to Provident Fund and Employee's State Insurance are accounted on the basis of the contributions required to be made under the Employees Provident Fund, Employee's State Insurance and Miscellaneous Provisions Act, 1952 as and when applicable.

(c) Leave encashment: The Company doesn't allow employees to carry forward the unutilised leaves. The same will be encashed at the end of the financial year.

2.09 Related party disclosure

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

2.10 Earnings per share

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



Notes to the financial statements

2.11 Taxes on income

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

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

2.12 Impairment of assets

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

2.13 Provisions and contingencies

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

2.14 Cash and cash equivalents

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

2.15 Cash flow statement

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

2.16 Accounting for leases

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

2.17 Events occurring after balance sheet date

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

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

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



Notes to the financial statements

Amounts in ₹

Note No.	Particulars	As at 31-03-2021		As at 31-03-2020	
		No. of Shares	Amount	No. of Shares	Amount
3	Share Capital				
	Equity Shares				
	A. Authorized				
	Equity shares of Rs.10/- each fully paid up	85,00,000	8,50,00,000	60,00,000	6,00,00,000
	B. Issued				
	Equity shares of Rs.10/- each fully paid up	70,50,000	7,05,00,000	60,00,000	6,00,00,000
	C. Subscribed and fully paid-up				
	Equity shares of Rs.10/- each fully paid up	70,50,000	7,05,00,000	60,00,000	6,00,00,000
	Total Equity	70,50,000	7,05,00,000	60,00,000	6,00,00,000
	Preference Shares				
	A. Authorized				
	Non-Cumulative, Compulsory Convertible 0.01% Preference shares of Rs.10/- each	15,00,000	1,50,00,000	-	-
	B. Issued				
	Non-Cumulative, Compulsory Convertible 0.01% Preference shares of Rs.10/- each	15,00,000	1,50,00,000	-	-
	C. Subscribed and partly paid-up				
	Non-Cumulative, Compulsory Convertible 0.01% Preference shares of Rs.10/- each (Rs.1/- paid)	15,00,000	15,00,000	-	-
	Total Preference shares	15,00,000	15,00,000	-	-

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

Particulars	As at 31-03-2021	As at 31-03-2020
	No. of Shares	No. of Shares
Equity Shares		
Opening balance	60,00,000	22,00,000
Add : Subscription to Memorandum of Association / Fresh Issue	10,50,000	9,50,000
Add : Rights issue during the year	-	28,50,000
Less: Bought back during the year	-	-
Closing balance	70,50,000	60,00,000
Preference Shares		
Opening balance	-	-
Add: Issued during the year	15,00,000	-
Less: Bought back during the year	-	-
Closing Balance	15,00,000	-



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

Particulars	As at 31-03-2021		As at 31-03-2020	
	Number of Shares	Percent of holding	Number of Shares	Percent of holding
Equity Shares				
DCB Bank	6,00,000	8.51%	-	-
Jayaprakash Patra	21,50,000	30.50%	20,00,000	33.33%
Ratikanta Satapathy	21,50,000	30.50%	24,50,000	40.83%
Rajesh Kumar Panda	21,50,000	30.50%	15,50,000	25.83%
Total	70,50,000	100.00%	60,00,000	100.00%

Particulars	As at 31-03-2021		As at 31-03-2020	
	Number of Shares	Percent of holding	Number of Shares	Percent of holding
Non-Cumulative, Compulsory Convertible Preference Shares				
Jayaprakash Patra	5,00,000	33.333%	-	0.00%
Ratikanta Satapathy	5,00,000	33.333%	-	0.00%
Rajesh Kumar Panda	5,00,000	33.333%	-	0.00%
Total	15,00,000	100.00%	-	0.00%

3.3 Rights, preferences and restrictions attached to shares

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

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

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



Notes to the financial statements

Note No.	Particulars	Amounts in ₹	
		As at 31st March 2021	As at 31st March 2020
4	Reserves and Surplus		
4.1	Special Reserve *		
	Opening Balance	-	-
	Add: Transferred from the Profit for the year	8,80,885	-
	Less: Appropriation during the year	-	-
	Closing Balance	8,80,885	-
4.2	Surplus / (Deficit) in Statement of Profit and Loss		
	Opening Balance	(37,50,162)	(82,155)
	Add: Profit / (Loss) for the year	44,04,425	(36,68,008)
	Less: Transferred to Special Reserve	8,80,885	-
	Closing Balance	(2,26,622)	(37,50,162)
	Total Reserves and Surplus (4.1) + (4.2)	6,54,263	(37,50,162)
* Special Reserve has been created as per the provisions of Section 45-IC of the Reserve Bank of India Act, 1934. As per the requirements of the said Section, 20% of the profit for the year has been transferred to special reserve.			
5	Long Term Borrowings		
	(Secured Loan)		
	Term Loan		
	-From Banks (Refer Note 5.1 and Note 5.2 below)	2,00,00,000	-
	-From Non Banking Financial Companies (Refer Note 5.1 and Note 5.2 below)	1,00,00,000	-
	(A)	3,00,00,000	-
	Less: Current Maturities of Long Term Debt		
	-From Banks	95,83,318	-
	-From Non Banking Financial Companies	46,19,422	-
	(B)	1,42,02,740	-
	(A-B)	1,57,97,260	-
5.1	Loans and advances from banks and others are secured by exclusive charge on the receivables and personal guarantee given by directors.		
5.2	Terms of repayment of borrowings and rate of interest:		
As per terms of agreements, loan from banks aggregating Rs. 2,00,00,000 (Previous Year: Rs. Nil) are repayable at maturity of 24 months from the date of availing respective loan. Rate of interest payable on term loans is 12%.			
As per terms of agreements loan from others aggregating Rs. 1,00,00,000 (Previous Year: Rs. Nil) are repayable at maturity of 24 months from the date of respective loan. Rate of interest payable on term loans is 15.35%.			
6	Deferred Tax (Asset) / Liability		
	Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	1,60,484	1,24,622
	Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	(74,241)	(10,920)
	Net Deferred Tax (Asset) / Liability	86,243	1,13,702



Notes to the financial statements

Note No.	Particulars	Amounts in ₹	
		As at 31st March 2021	As at 31st March 2020
7	Long Term Provision Gratuity Payable *	1,65,541	-
		<u>1,65,541</u>	<u>-</u>
	* Provision for Gratuity has been made as per the Gratuity Act, 1972.		
8	Short Term Borrowings (Secured Loan) Term Loan		
	-From Banks (Refer Note No. 8.1 and Note No. 8.2 below)	1,00,00,000	-
	-From Non Banking Financial Companies (Refer Note No. 8.1 and Note No. 8.2 below)	72,32,897	-
		<u>1,72,32,897</u>	<u>-</u>
8.1	Loans and advances from banks and others are secured by exclusive charge on the receivables and personal guarantee given by directors.		
8.2	Terms of repayment of borrowings and rate of interest:		
	As per terms of agreements loan from banks aggregating Rs. 1,00,00,000 (Previous Year: Rs. Nil) are repayable at maturity ranging 12 months from the date of respective loan. Rate of interest payable on term loans is 12%.		
	As per terms of agreements loan from others aggregating Rs. 72,32,897 (Previous Year: Rs. Nil) are repayable at maturity ranging 12 months from the date of respective loan. Rate of interest payable on term loans is 15.75%.		
9	Other Current Liabilities / Expenses Payable		
	Current Maturities of Long Term Debt	1,42,02,740	-
	Interest Accrued But Not Due	1,68,852	-
	Statutory Dues	6,18,673	1,63,614
	Accrued Liabilities	32,81,210	1,17,497
	Employee Dues	3,746	-
	Total	<u>1,82,75,222</u>	<u>2,81,111</u>
10	Short Term Provision Provision for Income Tax (net of Advance Tax and TDS Receivable)	2,14,781	-
	Total	<u>2,14,781</u>	<u>-</u>
11	Long-term loans and advances (unsecured, considered good unless otherwise stated) Rental Deposit	2,00,000	2,00,000
	Total	<u>2,00,000</u>	<u>2,00,000</u>



Notes to the financial statements

Note No.	Particulars	Amounts in ₹	
		As at 31st March 2021	As at 31st March 2020
12	Current Investments (Quoted Investments) Investments in Mutual Funds	6,39,762	2,15,95,865
	Total	6,39,762	2,15,95,865
	Cost of the investment: Rs. 6,39,806.83 Market Value of the investment: Rs. 6,39,954.95		
13	Cash and Cash Equivalents (i) Balances with Bank - in current accounts - in fixed deposit accounts (ii) Cash on Hand	2,58,08,278 20,00,000 -	8,17,501 - -
	Total	2,78,08,278	8,17,501
14	Short Term Loans and Advances Unsecured, considered good Loans and advances (Gross) Less: Provision for Standard Assets and Non-Performing Assets Loans and advances (Net)	8,94,12,720 (13,34,407) 8,80,78,313	3,09,63,402 (7,97,765) 3,01,65,637
	Receivable from Partners Balance with Government Authorities Rent Deposit	39,36,165 - 2,00,000	- 1,92,339 -
	Total	9,22,14,478	3,03,57,975
15	Other Current Assets Interest Receivable Processing Fee Receivable Other Current Assets Receivable from Employees Prepaid Expense Total	2,96,361 1,13,407 61,119 3,969 4,76,328 9,51,183	2,07,600 - 4,400 - - 2,12,000



Note 16: Property, Plant and Equipment

A. Property, Plant and Equipments:	Gross Block				Depreciation				Net Block	
	Balance as at 01/04/2020	Additions	Deletions	Balance as at 31/03/2021	Balance as at 01/04/2020	Depreciation for the year	Deletions	Balance as at 31/03/2021	Balance as at 31/03/2021	Balance as at 31/03/2020
Laptops	3,38,234	2,59,268	-	5,97,502	20,580	1,16,355	-	1,36,934	4,60,568	3,17,654
Television	17,609	-	-	17,609	115	1,662	-	1,777	15,832	17,494
Current Year	3,55,843	2,59,268	-	6,15,111	20,694	1,18,017	-	1,38,711	4,76,400	3,35,149
Previous Year	-	3,55,843	-	3,55,843	-	20,694	-	20,694	3,35,149	-
	Balance as at 01/04/2019	Additions	Deletions	Balance as at 31/03/2020	Balance as at 01/04/2019	Depreciation for the year	Deletions	Balance as at 31/03/2020	Balance as at 31/03/2020	Balance as at 31/03/2019
Laptops	-	3,38,234	-	3,38,234	-	20,580	-	20,580	3,17,654	-
Television	-	17,609	-	17,609	-	115	-	115	17,494	-
Current Year	-	3,55,843	-	3,55,843	-	20,694	-	20,694	3,35,149	-
Previous Year	-	-	-	-	-	-	-	-	-	-
	Balance as at 01/04/2020	Additions	Deletions	Balance as at 31/03/2021	Balance as at 01/04/2020	Depreciation for the year	Deletions	Balance as at 31/03/2021	Balance as at 31/03/2021	Balance as at 31/03/2020
Computer software	38,17,689	-	-	38,17,689	6,91,528	9,90,055	-	16,81,583	21,36,106	31,26,161
Current Year	38,17,689	-	-	38,17,689	6,91,528	9,90,055	-	16,81,583	21,36,106	31,26,161
Previous Year	-	38,17,689	-	38,17,689	-	6,91,528	-	6,91,528	31,26,161	-
	Balance as at 01/04/2019	Additions	Deletions	Balance as at 31/03/2020	Balance as at 01/04/2019	Depreciation for the year	Deletions	Balance as at 31/03/2020	Balance as at 31/03/2020	Balance as at 31/03/2019
Computer software	-	38,17,689	-	38,17,689	-	6,91,528	-	6,91,528	31,26,161	-
Current Year	-	38,17,689	-	38,17,689	-	6,91,528	-	6,91,528	31,26,161	-
Previous Year	-	-	-	-	-	-	-	-	-	-



Signature
Signature

Notes to the financial statements

Amounts in ₹

Note No.	Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
17	Revenue from operations		
	Subvention Income	1,56,05,872	20,28,075
	Interest Income	23,47,151	2,47,403
	Processing Fees	28,89,803	3,33,809
	Total	2,08,42,826	26,09,286
18	Other Income		
	Interest Income on Income Tax Refund	2,629	3,802
	Interest on Fixed Deposits	15,201	4,38,105
	Dividend	4,94,549	-
	Capital Gains	5,80,403	2,56,875
	Miscellaneous Income	5,27,961	28,003
	Total	16,20,743	7,26,785
19	Employee Benefits Expense		
	Salaries, Stipend and Bonus	52,03,329	12,64,555
	Directors' Remuneration	41,01,565	3,48,500
	Contribution to provident funds and other funds	17,186	-
	Gratuity	1,65,541	-
	Staff welfare expenses	83,742	24,436
	Total	95,71,363	16,37,491
20	Loan Provisions And Write Offs		
	Provision for standard assets	5,80,046	3,09,634
	Provision for non-performing assets	(43,404)	4,88,131
	Settlement loss	58,338	-
	Total	5,94,980	7,97,765
21	Finance Cost		
	Bank Charges	1,86,045	36,435
	Loan Processing Fees	7,51,998	-
	Interest on Borrowings	7,83,482	-
	Total	17,21,525	36,435
22	Other Expenses		
	Audit Fee	4,00,000	1,00,000
	Business Promotion	2,54,643	2,15,359
	Bureau Expense	2,19,060	-
	Insurance Expense	1,72,077	-
	Legal, Professional and Technical Fees	10,94,805	22,23,964
	Office Expense	47,255	10,269
	Office Rent	5,42,474	3,25,616
	Rates & Taxes	3,59,775	2,22,177
	Sales Incentive	3,92,571	-
	Travelling and Conveyance Expenses	32,550	2,62,885
	Webhosting, Domain & Subscription Charges	4,11,764	1,31,458
	Miscellaneous Expense	63,689	2,14,737
	Total	39,90,663	37,06,464



Notes to the financial statements

Amounts in ₹

23 General Notes
23.01 Auditors' Remuneration

Particulars

For the year ended 31 March 2021 For the year ended 31 March 2020

As auditor for statutory audit	2,40,000	1,00,000
For other services	1,60,000	-
	4,00,000	1,00,000

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

23.02 Earnings per share

Net profit / (loss) attributable to equity shareholders for calculation of basic EPS	44,04,425	(36,68,008)
Weighted average number of equity shares for calculation of Basic Earnings Per Share	60,02,877	60,00,000
Weighted average number of equity shares for calculation of Diluted Earnings Per Share	60,03,288	60,00,000
Basic Earnings Per Share (Rs.)	0.73	(0.61)
Diluted Earnings Per Share (Rs.)	0.73	(0.61)

23.03 Related party disclosures

Aggregate related party disclosures as at and for the year ended 31 March 2021

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

Parties where control exists:

Key management personnel	Jayaprakash Patra Ratikanta Satpathy Rajesh Kumar Panda
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(B) Related party transactions

For the year ended 31 March 2021 For the year ended 31 March 2020

Nature of transaction

Loan Taken from Directors

Jayaprakash Patra	2,00,000	-
Ratikanta Satpathy	24,00,000	-
Rajesh Kumar Panda	10,00,000	-

Remuneration

Jayaprakash Patra	13,99,099	1,96,500
Ratikanta Satpathy	13,74,479	1,52,000
Rajesh Kumar Panda	13,27,987	-

Reimbursement of expense

Jayaprakash Patra	2,11,913	5,07,100
Ratikanta Satpathy	28,795	5,62,412
Rajesh Kumar Panda	2,48,451	-



Notes to the financial statements

Amounts in ₹

(C) Closing Balance

For the year ended 31 March 2021 For the year ended 31 March 2020

Remuneration payable

Jayaprakash Patra
Ratikanta Satpathy
Rajesh Kumar Panda

59,238
32,328
27,987

-
-
-

Expense reimbursable

Jayaprakash Patra
Ratikanta Satpathy
Rajesh Kumar Panda

2,155
-
1,592

13,214
1,509
-

Loan repayable to Directors

Jayaprakash Patra
Ratikanta Satpathy
Rajesh Kumar Panda

-
-
-

-
-
-

23.04 Dues to micro and small enterprises

The Ministry of Micro, Small and Medium enterprises has issued an office Memorandum dated 26 August 2008 which recommends that the Micro and Small enterprises should mention in their correspondence with its customers the entrepreneur's Memorandum number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprise as at 31 March 2020 has been made in the financial statements based on information received and available with the Company. Further, in view of the Management, the impact of interest, if any, that may be payable in accordance with the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-



Notes to the financial statements

Amounts in ₹

23.05 Earnings / expenditure in foreign currency

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Earnings in foreign currency	Nil	Nil
Expenditure in foreign currency	Nil	Nil

23.06 Leases

For the year ended
31 March 2021

For the year ended
31 March 2020

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

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

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

- Not later than one year	5,50,000	6,00,000
- Later than one year, not later than five years	-	5,50,000
- More than five years	-	-

23.07

Contingent liabilities and commitments

For the year ended
31 March 2021

For the year ended
31 March 2020

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

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

In this regard, the provision for non-performing assets as identified by the management of the Company has been made in accordance with the guidelines issued by the Reserve Bank of India (RBI). As per the practice consistently followed, the Company has also made accelerated provision and there is a reversal of Rs. 43,404 (31 March 2020: provision of Rs. 4,88,131) on a prudential basis. In accordance with the Master direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016 issued by RBI vide its directions to all NBFC's, the Company has made provision on standard assets at the rate of 1.00% outstanding as on the date of the Balance Sheet and accordingly, provision of Rs. 5,80,046 (31 March 2020: 3,09,634) has been made during the current year.

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

23.10 The records relating to processing, disbursement and recovery of loans and revenue generated from such loans are maintained in a software module which is separate from the books of account. The Company reconciles the same on a monthly basis and are updated in the books of account.

23.11 The Employees State Insurance Act, 1948 has become applicable to the Company during the financial year. The Company has obtained the registration after the financial year and is in the process of paying the arrears along with applicable

23.12 In the opinion of the Board of Directors, Current Assets, Loans and Advances have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated.



Notes to the financial statements

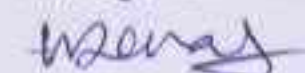
Amounts in ₹

23.13 The outbreak of Covid-19 pandemic globally and in India has caused significant disruption and slowdown of economic activities. The Company has considered the possible effects that may result from the Covid-19 pandemic and is of the view that there is no significant impact due to this pandemic. The Company will continue to closely observe the evolving scenario and take into account any future developments arising out of the same.

23.14 Previous year figures have been regrouped/re-classified where necessary to conform to this year's classification.

As per our report of even date attached

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



Vinayak Devas
Partner
Membership number: 225341

Place: Bengaluru
Date: 28-Sep-2021



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



Jayaprakash Patra
Director
DIN: 08173623

Place: Bengaluru
Date: 28-Sep-2021



Rajesh Kumar Panda
Director
DIN: 08682733

Place: Bengaluru
Date: 28-Sep-2021

Ratikanta Satapathy
Director
DIN: 08285737

Place: Bengaluru
Date: 28-Sep-2021



Annexure A

Forming part of the financial statements Notes for the year ended 31st March 2021

Amounts in ₹

Particulars		Year ended March 31, 2021		Year ended March 31, 2020	
Liabilities side		Amount Outstanding	Amount overdue	Amount Outstanding	Amount overdue
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :				
	a) Debentures : Secured	-	-	-	-
	: Unsecured	-	-	-	-
	b) Deferred Credits	-	-	-	-
	c) Term Loans	4,74,01,749	-	-	-
	d) Inter-corporate loans and borrowing	-	-	-	-
	e) Commercial Paper	-	-	-	-
	f) Other Loans	-	-	-	-
	Total	4,74,01,749	-	-	-

Asset Side		Amount Outstanding	Amount Outstanding
2	Break-up of Loans and Advances including bills receivables [other than those included in (3) below] :		
	a) Secured	-	-
	b) Unsecured (net of provisions)	8,80,78,313	3,01,65,637
		<u>8,80,78,313</u>	<u>3,01,65,637</u>
3	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	Nil	Nil
	b) Operating lease	Nil	Nil
	ii) Stock on hire including hire charges under sundry debtors :		
	a) Assets on hire	Nil	Nil
	b) Repossessed Assets	Nil	Nil
	iii) Other loans counting towards asset financing activities		
	a) Loans where assets have been repossessed	Nil	Nil
	b) Loans other than (a) above	Nil	Nil
		<u>Nil</u>	<u>Nil</u>





Annexure A

Forming part of the financial statements Notes for the year ended 31st March 2021

Amounts in ₹

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

Category	FY 2020-21		FY 2019-20	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
a) Subsidiaries	-	-	-	-
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2. Other than related parties	6,39,955	6,39,762	2,17,50,108	2,15,95,865
Total	6,39,955	6,39,762	2,17,50,108	2,15,95,865

- 7 Other information

Amounts in ₹

Particulars	FY 2020-21	FY 2019-20
i) Gross Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	4,44,727	4,88,131
ii) Net Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	-	-
iii) Assets acquired in satisfaction of debt	-	-
Total	4,44,727	4,88,131



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