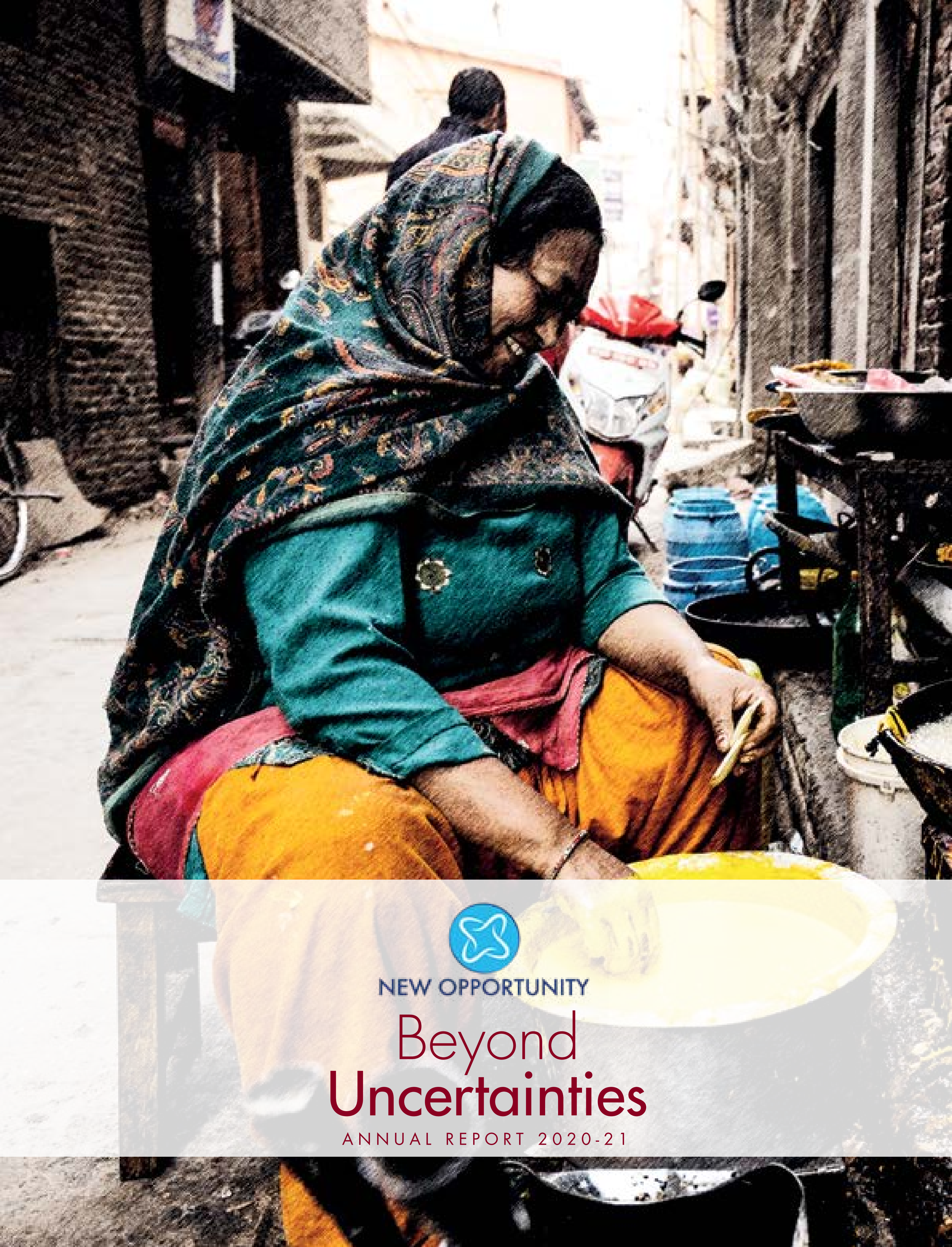
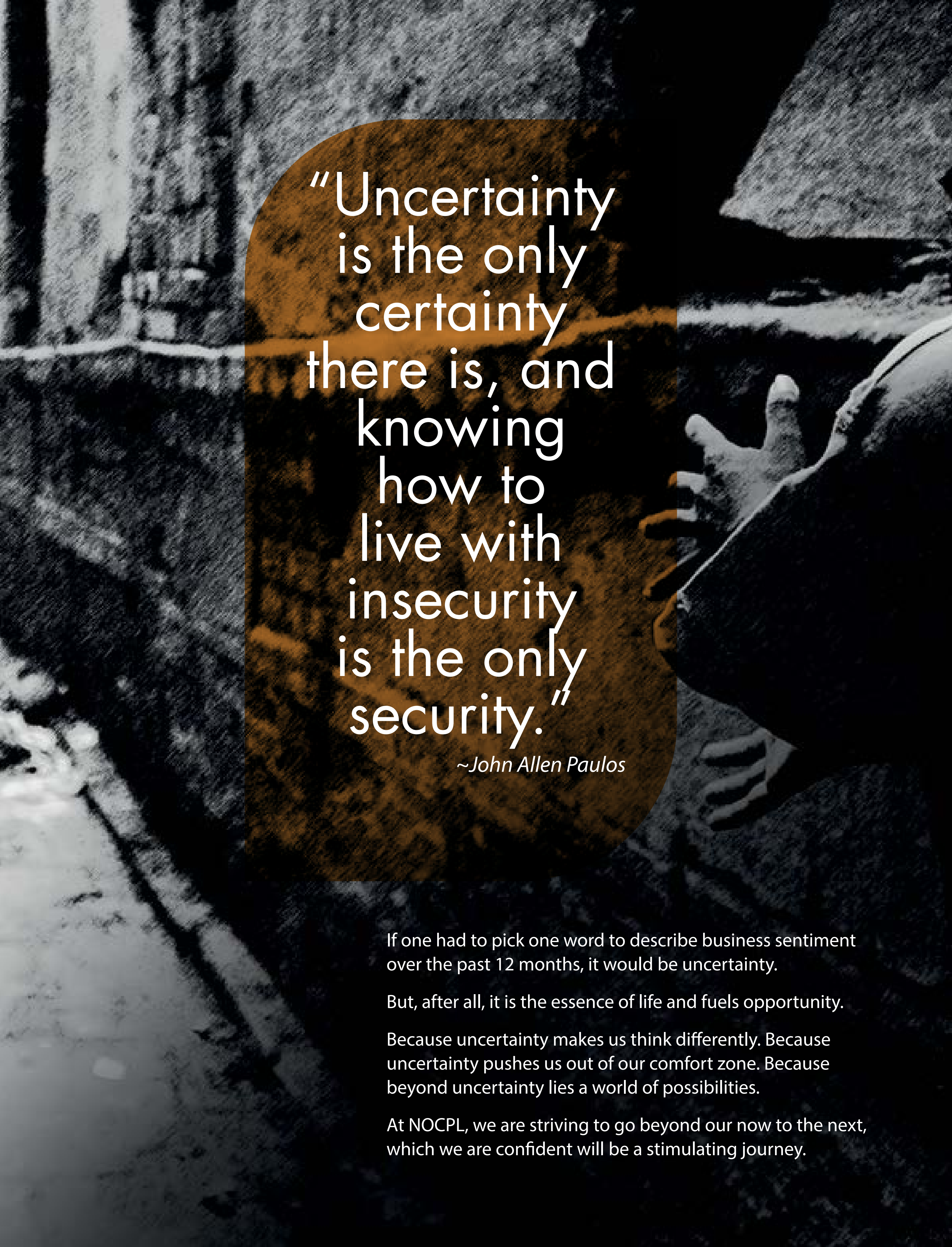


NEW OPPORTUNITY

Beyond Uncertainties

ANNUAL REPORT 2020-21

Contents



"Uncertainty is the only certainty there is, and knowing how to live with insecurity is the only security."

~John Allen Paulos

If one had to pick one word to describe business sentiment over the past 12 months, it would be uncertainty.

But, after all, it is the essence of life and fuels opportunity.

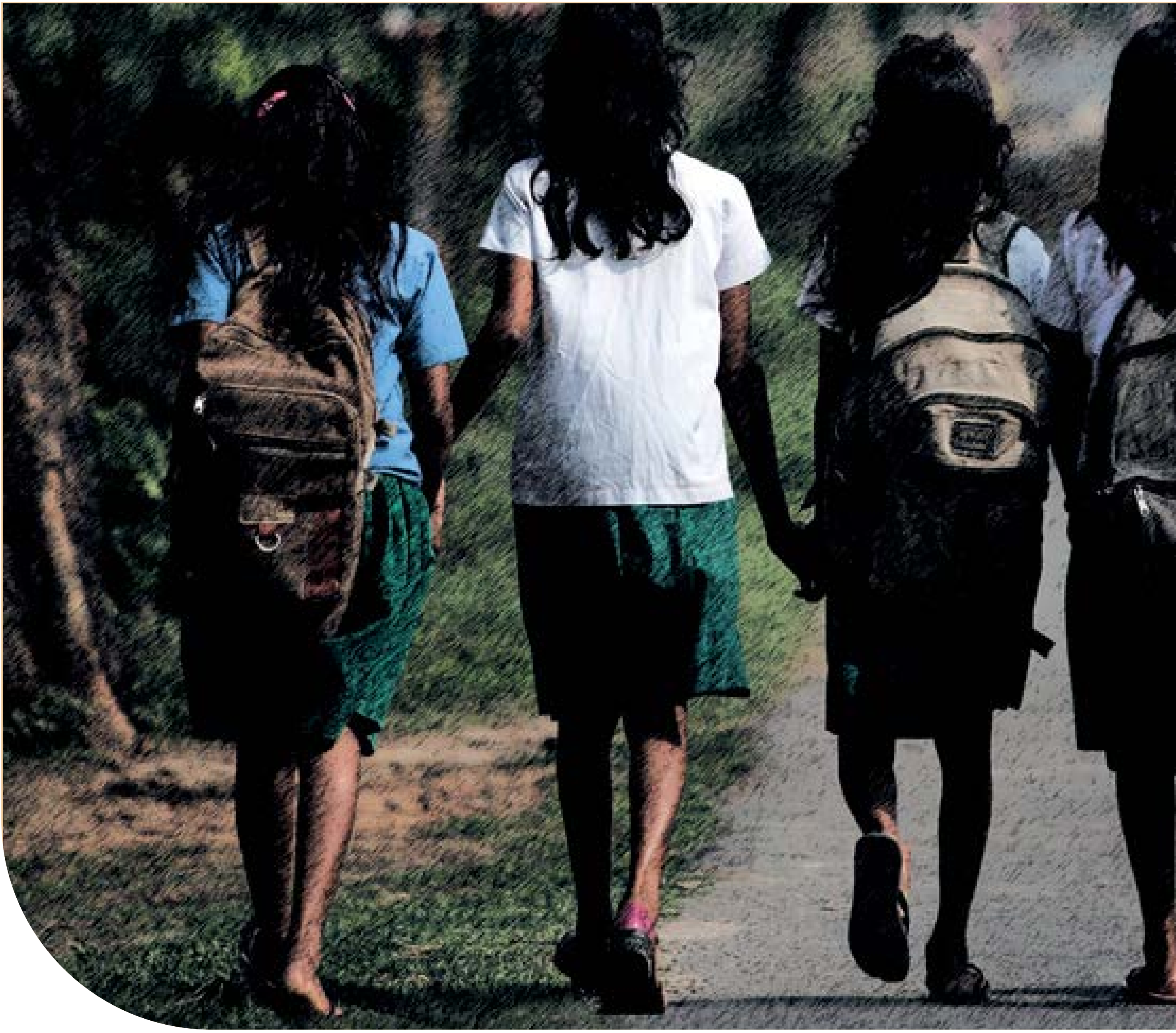
Because uncertainty makes us think differently. Because uncertainty pushes us out of our comfort zone. Because beyond uncertainty lies a world of possibilities.

At NOCPL, we are striving to go beyond our now to the next, which we are confident will be a stimulating journey.

We are

expanding our footprint

Uncertainty is often the gateway to interesting opportunities.



And so it was with NOCPL.

We decided to make good the losses incurred during the pandemic and thereafter, not organically but exponentially. Because we realise that time is of the essence.

We are doing multiple things that promise to accelerate our momentum going forward

1) We are seeking opportunities that will widen our geographic presence in new states and districts, even as we work on entrenching our presence in existing locations.

2) We are working on expanding our opportunity canvass by widening our services basket; in addition to sourcing and managing asset business for our business partners, we also wish to play an important role in sourcing liability products.

3) We took stock of our expertise and ideated on how better we could utilise our skills. The brainstorming led us to foray into Banking Correspondent managed Banking Outlets for Banks.

Today, we have planned this for our tomorrow…. Tomorrow could actually be far more!

3
Planned additional bank tie-ups in FY22

We are

rebuilding our edifice

Uncertainties present a rare but narrow window of opportunity to reimagine prospects.

A significant focus this year was re-imagining and rebuilding our processes to circumvent the severe repercussions of the ongoing crisis. Reduced human touch meant- centralisation of processes, comprehensive credit evaluation, and risk mitigation.

To this extent, we have launched several tech-driven, plug and play solutions to take the bull by its horns and evolve to face the

new normal.

About the Company

New Opportunity Consultancy Pvt. Ltd. (NOCPL) is a next-gen Business Correspondent- delivering diverse financial products and services across multiple geographies, on behalf of our principal banks and partners. We cover the road less travelled- enabling the 'last mile' reach and delivering a seamless experience to our borrowers.

12
Banking partners

566
Branches

11,12,639
Customers

1,341.20
Disbursement (₹ Crore)

177.82
Revenue (₹ Crore)

(15.07)
Profit after Tax (₹ Crore)

2,236.43
Assets under Management (₹ Crore)

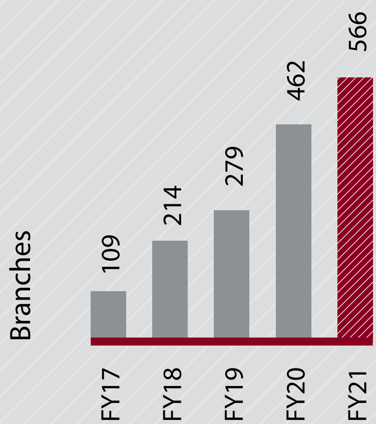
Vision

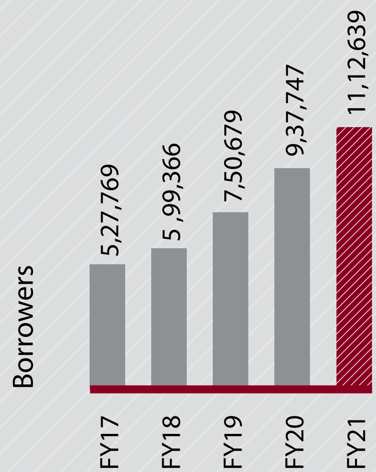
Empowering women through financial inclusion in a reliable, cost-effective, and transparent manner.

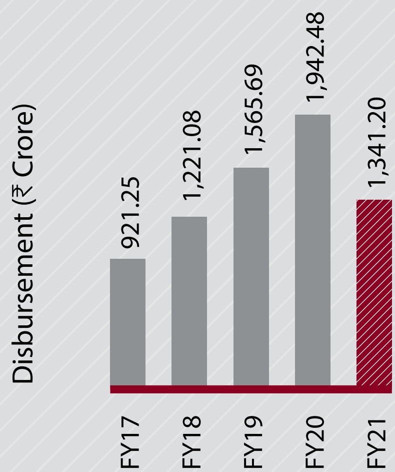
Mission

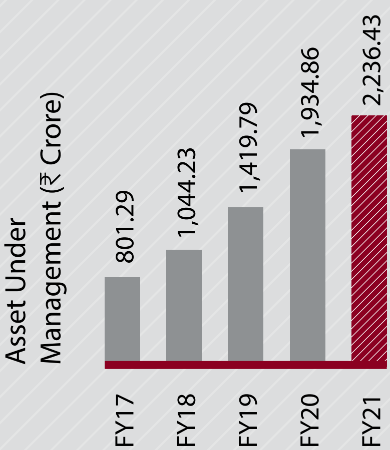
To serve 5 million customers by 2025.

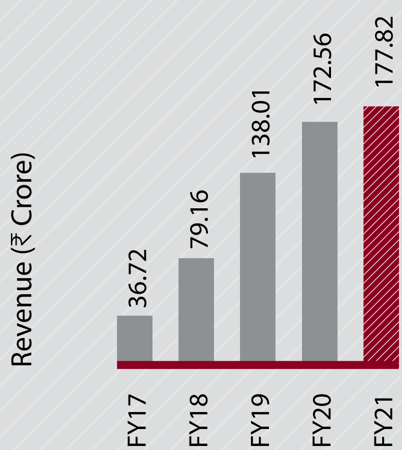
Key Performance Indicators

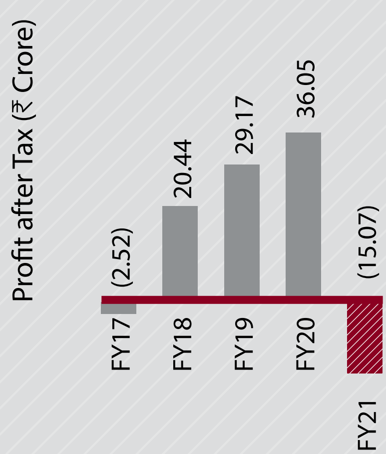












Story 1

Steaming it out!

Covid-19 came to the doorstep literally with Bhushan's friend testing positive. It was quite a scare, being the first time for the world and the doctor fraternity. Bhushan, through frequent interaction with local doctors, realised that the simple vaporiser could make a world of difference for mild infections.

Bhushan contemplated… this is such a simple and effective remedy. And many people, like me, would not know about this. True enough, a small survey of the nearby Covid-care facilities, unearthed the shortage of vaporisers.

His friends and he decided to do their little bit. They created a corpus through public funding at a time when people shivered to meet even known people. They procured 150 vaporisers at a time when even basic medication was out of stock. They gave it to three Covid-care centres which must have helped a few thousand. Bhushan took on the fight to steam Covid out.


कोविड केअर सेंटर
COVID CARE CENTER (CCC)

Statement from the Chairman

"We firmly believe that the uncertainties we experienced were temporary in nature and helped us to prepare ourselves for periods "Beyond Uncertainties". We are confident of recovering whatever we lost in FY21 during the current year and thereafter."

Dear Shareholders,

The Financial Year 2020-21 (FY21) was full of uncertainties and associated challenges. The FY started with a nationwide lockdown with almost all commercial activities coming to a grinding halt. Neither NOCPL nor its customers were an exception. Our offices had to be closed. We started exploring ways to deal with the situation. But we never dithered from our philosophy of "Beyond the Bottomline."

The primary focus continued to be our customers. As we could not visit our customers, we reached out to them through our tele-callers to find out their wellbeing. The moratorium and other facilities permitted by the Reserve Bank of India to the customers to tide over the difficult times were clearly explained to them with implications to facilitate appropriate decision. Commercial activities started resuming in phases in June. We visited customers wherever feasible. As things improved, we started disbursal of fresh loans to existing customers so that they can get back to their income-generating activities.

The next priority has always been our employees. Wherever businesses looked at reducing the cost, the first axe fell on employees. However, we at NOCPL never looked at this option. We paid full salaries to all employees without letting go of a single employee. We introduced a Work from Home Policy and COVID Assistance Policy with additional leave and monetary assistance. We created a CHEER TEAM to talk to hospitalised/isolated employees to boost their morale so that they recovered and reached their homes faster. When vaccination was opened up, we ran Vaccination Drives to cover our employees on priority. All these reinforced the "I am NOCPL" feeling of our employees.

The next focus area for us has been our Principals. We worked closely with them updating them on ground realities to orient their policies and strategies to suit the market requirements. The difficult period also prompted us to challenge the established and time-tested practices. We started thinking "is there a better way to do this" with the twin objectives of reducing cost and improving efficiency. The reliance got shifted to technology. We conceptualized Digital Customer Point Verification for better record keeping and speedy appraisal, Cashless collection to reduce the risk of carrying cash, issuance of Digital Receipts to prevent possible misuse of collected amount, Instant Quality Check for speedy onboarding of customers, API integration with Banks to facilitate instant Credit Bureau checks, Offsite inspection to keep up surveillance when movements were restricted. All this prepared us for better handling the business when the economy opened up. Despite the impact of COVID, we could maintain our "Zero loss" track record for all our Principals except one.

The communities that supported us have always been in our heart and mind. We continued our CSR activities of skill-building for our borrowers and their family members, educating under privileged through our Nukkad Pathshalas, developing of adopted Pilur village, albeit at a slower pace due to restrictions imposed on account of the pandemic. We earmarked a major portion of our CSR Budget for COVID vaccination of the community.

Despite difficult times, we never compromised on Governance and Compliance.

Though Q4 of FY21 saw the restoration of normalcy in business – collections and disbursements – we ended the FY21 with a loss. We decided to take it in our stride and move on as the "Beyond the Bottomline" philosophy of the Company has cemented its relationship with all the stakeholders. We firmly believe that the uncertainties we experienced were temporary in nature and helped us to prepare ourselves for periods "Beyond Uncertainties". We are confident of recovering whatever we lost in FY21 during the current year and thereafter because we always grow with all our stakeholders.

Warm regards

K. R. Kamath

Chairman and Non-executive Director

Story 2

The unrelenting warrior!

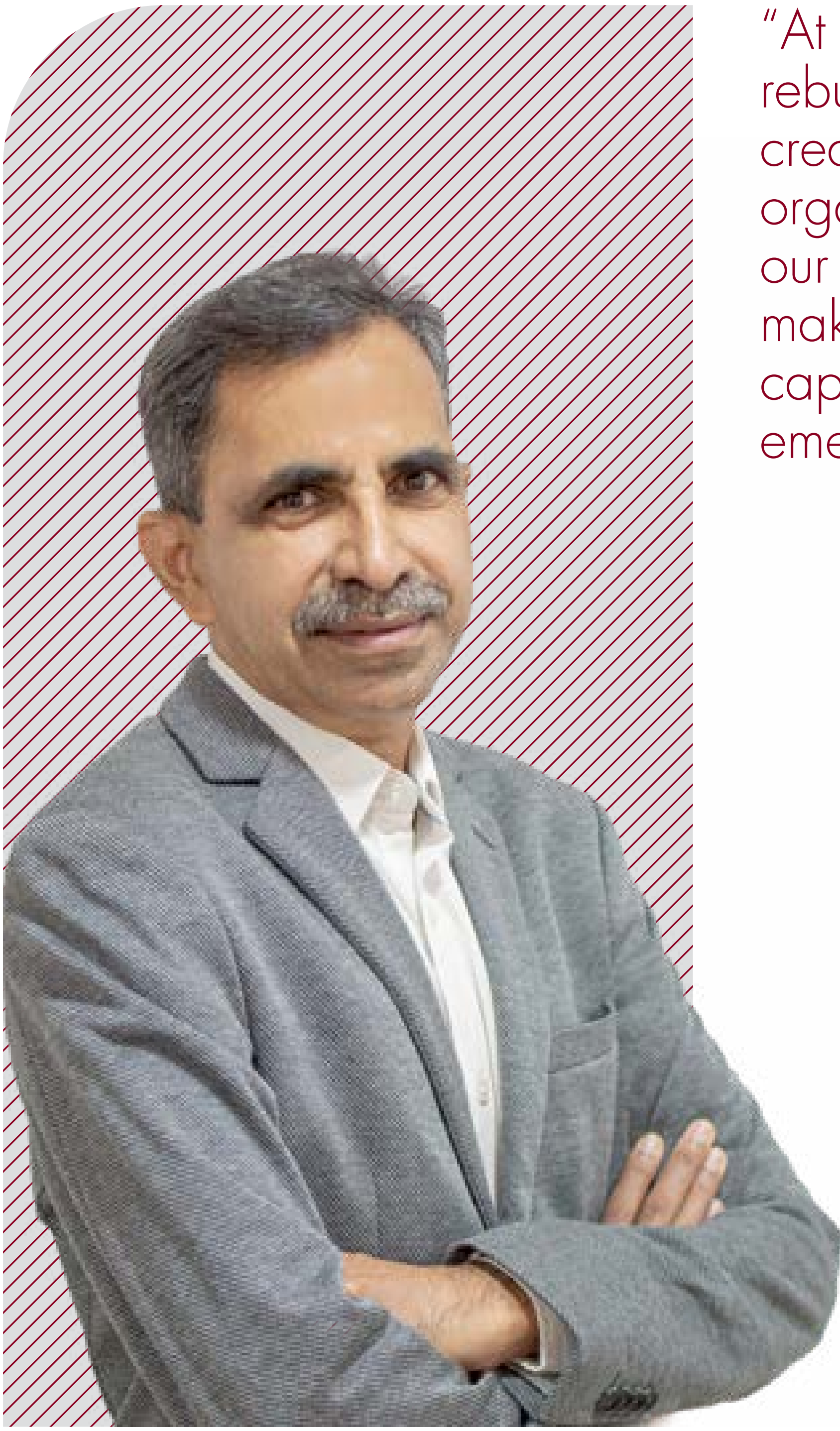
Daily positive cases leapfrogged from a few thousand to Lakhs…in a matter of weeks. Nobody was prepared for tragedy. Hospital beds were at a premium… and yet not available. Patients were given oxygen while sitting in the hospital aisle, in the backseat of a vehicle, and on the road.

The Covid positive patients needed all the help that came around because help was anyway very scarce. People were scared to step into the open-alarmed, that even stepping outside would make them susceptible to the virus.

Under these overwhelming circumstances, Vignesh tirelessly coordinated with hospitals and Covid centres to arrange beds and oxygen support for Covid patients in his neighbourhood. His mobile rang 24x7, every call an emergency, screaming for help. He assisted 40 people during these stressful times.

He did not stop there. As the deadly second wave waned, he was determined to make an all-out effort to prevent the possibility of a third wave. He was instrumental in organising a Covid vaccination drive, for his society and NOCPL's zonal office in Coimbatore – covering more than 600 people. The unrelenting warrior continues to brave the invisible enemy in his way.

MD & CEO's message



"At NOCPL, we are rebuilding our edifice to create a more resilient organisation that retains our ethos even as it makes us more agile in capitalising on emerging opportunities."

Dear friends,

I feel immense pleasure in connecting with you once again as we braced and overcame a very tough and demanding year.

The nation, its people and businesses incurred considerable losses. We too were impacted by the deceleration. We lost considerable business. We reported a net loss of ₹15.07 Crore.

Despite the dismal environment, there were important learnings from the pandemic.

One, almost instantly, we aligned to a new way of working. Even as we were holed up in our homes, we learned a digital way of communicating, interacting, working, and problem solving. The organisation became nimbler. Cost-consciousness became an organisational culture. The value of money multiplied.

Two, our digital journey accelerated considerably. The pandemic transformed what was considered as 'Good to Have' a few years ago into a 'Must Have' for business continuity and sustenance. Our team members became more open to transition from the legacy to the digital platform. From a sustainability perspective, the flow of paper became near zero. Even as the speed of business became faster, the cost of doing business reduced.

Three, we bonded better as a team. The Leadership team took important steps which sent out a clear message - that the Company stands besides its team during emergencies. We retained the headcount. We paid full salaries, on time, throughout the year. This motivated the team to up their performance which reflected in the Company's significant recovery in the last quarter of the financial year.

Our overall performance in the period was largely in line with the pre-Covid period. We literally imagined that Covid was behind us. With that mindset, we were looking to make a strong comeback in FY22. But our ambitions were thwarted by the second wave of the Covid. This time around the pandemic unfortunately hit the nation's underbelly (the rural segment) very hard.

But that does not derail my aspiration of turning from the red to the black at the bottom line level. My optimism is based on certain realities.

There is considerable pent up demand in the system. Despite reduced business in Q1 of FY22, we have seen a significant improvement in July 2021 over the previous month. While demand, I am confident, will remain healthy, supply will be constrained.

While growth opportunities will increase, some opinion makers are concerned about the possibility of growing bad loans owing to cash flow challenges of the rural India post the second wave. But I am not overtly concerned because the Indian lending sector has matured considerably. The credit bureaus are very agile in capturing and updating the credit worthiness of people. Data quality has improved and is considerable volumes of data is available at the click of a button. This enables the financial players, like us, to take informed decisions.

At NOCPL, we have drawn a check list of things we aspire to achieve in the FY22 which, in addition to growing business, will also strengthen the foundation of the organisation.

Our topmost priority will be to invest in relationships – with our customers and our team. In this people-interfacing business maintaining a high connect is critical. But with digital solutions creeping in steadily, our business is becoming more transactional; relationships are taking a back seat. Moreover, the pandemic has brought to the fore the criticality of strengthening relations. We have already started moving towards this goal.

We have drawn the contours of our strategic roadmap titled 'More from Less'. We will explore more avenues of growth leveraging our existing knowledge and resources. We are widening our geographic footprint. We are getting into new spaces within our financial services domain. We are adding new banking partners. We are widening our bouquet of services to include asset and liability products.

Even as we increase our growth levers, we are focused on improving people efficiency. We have undertaken Time & Motion studies and plan to introduce small changes that promises to minimise their fatigue.

We are readying ourselves for a positively eventful year which will engage our people and customers even as it enhances business opportunities and profitability. As we create value, we will share the same with our people, rewarding them for their unwavering focus and dedicated efforts in placing the Company in a position of respect in our business space.

We are, and will always remain, mindful of the privilege and responsibility we shoulder, in financing dreams that mean so much to so many. So, while we work to deliver high-quality results year on year, we will continue to draw our strategies that ensure that we always remain relevant to the people we serve and the environment we operate in.

Warm regards
Ganesh Rao
Managing Director & CEO

Board of Directors

K. R. Kamath

Chairman and Non-executive Director

A career banker with 38 years vast experience in 4 public sector banks including Chairman & Managing Director of Punjab National Bank & Allahabad Bank, K.R. Kamath had headed industry bodies like Indian Banks' Association (IBA), Institute of Banking Personnel Selection (IBPS) and Indian Institute for Banking & Finance (IIBF), facilitating development of sound and progressive banking policies and has broad based exposure to other areas of financial sector through Board positions. As CMD of PNB, he has consistently figured in the Top 100 India Inc. Most Powerful CEOs surveyed by Economic Times since 2010.

Mohan Vasant Tanksale

Independent Director

Mohan V Tanksale had served as the Chairman & Managing Director of Central Bank of India from 2011 to 2013. Subsequently, he became Chief Executive of Indian Banks' Association. He was nominated as Director of Cent Bank Financial Services Ltd, Indo Zambia Bank Ltd. and Cent Bank Home Finance Ltd. He also served as a Director of Life Insurance Corporation of India and Executive Director of Punjab National Bank. He was conferred with several awards like "Golden Peacock HR Excellence Award 2012' and 'Person of the Year' for his contribution to Financial Inclusion by 'SKOCH Foundation'.

Ambadas Mukundrao Pedgaonkar

Independent Director

Ambadas Pedgaonkar is a retired Principal Advisor of the Reserve Bank of India and also served as the Chief Advisor in Indian Banks' Association. He has extensive experience in the banking and financial services sector, having worked with the Reserve Bank of India for over three decades. His specialty is in Project Management, Setting-up Data Centre, Payment and Settlement Systems, Real-Time Gross Settlement (RTGS) Systems, Cheque Truncation System, Information and Communications Technology, Information Security and Payment Systems Infrastructure.

Ganesh Rao

Managing Director & CEO

Ganesh Rao has over two decades of experience in the banking and financial sector. He has worked with Cholamandalam, GE Capital and DCB Bank in the past. In 2009, he co-founded Suryoday Microfinance, a leading Micro-finance Institution (now a Small Finance Bank) in India. Post his successful exit from his first entrepreneurial venture, he has ventured into a credit-driven Business Correspondent (BC) company with a primary focus on financial inclusion.

Meenakshi Rao

Executive Director

Meenakshi Rao is a management graduate from Pune and is a certified yoga coach. Her keen interest in human development for an inclusive society has motivated her to co-found this venture.

Story 3

A man in need… is a man in*deed* !

When most of us remained locked in… this man braved out. When most of us relaxed on a Sunday after a ruthless work-from-home week… this man undertook moral duty on Sunday too. When most of us chose to stay away from the dead bodies of our relatives…this man assisted in funeral arrangements.

Yes, we are talking about Jayaprakash. He wore many hats in all of 6 months.

He provided lunch for patients at Adoor Government Hospital every Sunday!

He volunteered with different organisations, distributing staples to those in need.

He assisted health authorities with funeral arrangements.

He helped in cleaning and sanitising houses of Covid infected patients.

Inspiring!

The Leadership Team

Ganesh Rao

Managing Director & CEO

Ganesh has over two decades of experience in the BSFI sector. He has worked with Cholamandalam, GE Capital and DCB Bank in the past. Post his successful exit from his first entrepreneurial venture, Suryoday Micro-finance, he ventured into a credit-driven BC company with a primary focus on financial inclusion.

Sivakumar J. R

Chief Operating Officer: South

Sivakumar has over 15 years of experience in the Financial Sector. Before joining New Opportunity, he was the business head of BC operations in Indian Association for Savings and Credit (IASC), a fully owned subsidiary of NOCPL.

Bhuvnesh Tiwari

Chief Operating Officer: North

Bhuvnesh holds P.G.D.B.M from IRM, Jaipur and also completed an executive program in sales and marketing from IIM, Calcutta. He has worked with Fino Micro-Finance, HDFC Bank and BFIL during his 11 years in the Microfinance and Banking Industry.

Pradeepta Dash

Chief Operating Officer: East

Pradeepta is a banking and finance professional with 20 years of technical, managerial and administrative abilities in the asset business. He has worked with TATA Finance Ltd., ICICI Bank, HDFC Bank and Suryoday Small Finance Bank at leadership positions.

Chandra Mohan

Head: Quality & Operations

Chandra Mohan is a Science Graduate with 15 Years of experience in NBFCs. He has worked with Bajaj Auto Finance Ltd. and Fullerton India Ltd. in various positions and departments.

R. Loganathan

Chief Financial Officer

Loganathan is a Post-graduate in IT (MSc in IT) and has over 15 years of experience in the Financial Sector. Before joining New Opportunity, he has served as the CFO in Indian Association for Savings and Credit (IASC), a fully owned subsidiary of New Opportunity.

Ravi K. Tuli

Chief: Audit & Compliance

Ravi is a Management graduate with a Specialisation in Marketing, having 22 years of experience in the Automobile, Insurance and Financial Sector. He has also worked with Cholamandalam, DCB Bank, Bharti Axa and Suryoday Small Finance Bank.

Meenakshi Rao

Head: Human Resource

Meenakshi is a management graduate from Pune and is a certified yoga coach. Her keen interest in human development for an inclusive society has motivated her to co-found this venture

Payodhi Mishra

Chief Technology Officer

Payodhi had pursued an MBA (IT & Systems) from Institute of Chartered Financial Analysts of India (ICFAI) and B.E (Electronics and Instrumentation) from University of Burdwan. He has worked with Larsen & Toubro Limited (EBG) and FINO Paytech Ltd. and has over 15 years of experience in successful initiation, planning, execution and delivery of projects in a diverse range of technologies.

Pradip K. Kundu

Head: Risk & Policy

Pradip is an Honours Graduate in Economics, CAIIB and has experience of around 36 years with Industrial Development Bank of India (IDBI) and IDBI Bank Ltd. in various capacities. During his last 10 years' service with IDBI Bank, he was involved in servicing and handling customer grievances, Bond Issuances and also instrumental in implementing BC/BF Model for augmenting Bank's Priority Sector business.

Nikhil Pai

Head: Product & Business Relations

Nikhil is a Commerce graduate having over 18 years of experience in the financial services industry. He has worked with financial institutions like ICICI Bank, HDFC Bank, Fullerton India, Shriram City Union, in various business functions.

Mona Thakkar

Company Secretary

Mona is a qualified Company Secretary from the Institute of Company Secretaries of India with experience of over five years. She has worked with Isprava Technologies Ltd. In the past.

Sunil S. Chavan

Head: Liability Products

Sunil S. Chavan, a Bachelor of Commerce from Mumbai University, is a Certified Associate of Indian Institute of Banking & Finance (IIBF). He also holds a Certificate in Financing to MSMEs from IIBF. With 37 years of wide experience in Banking Sector at various levels including branch banking and internal audit, he worked as General Manager in MSME Vertical and Fintech Division of Central Bank of India.

Narayanamoorthy P

Head: Social Initiatives

Narayana Moorthy is a graduate with over 20 years of experience in the financial and social responsibility sector. He has worked with various financial institutions like Bajaj Auto Finance and India Bulls Financial Services in various capacities.

Story 4

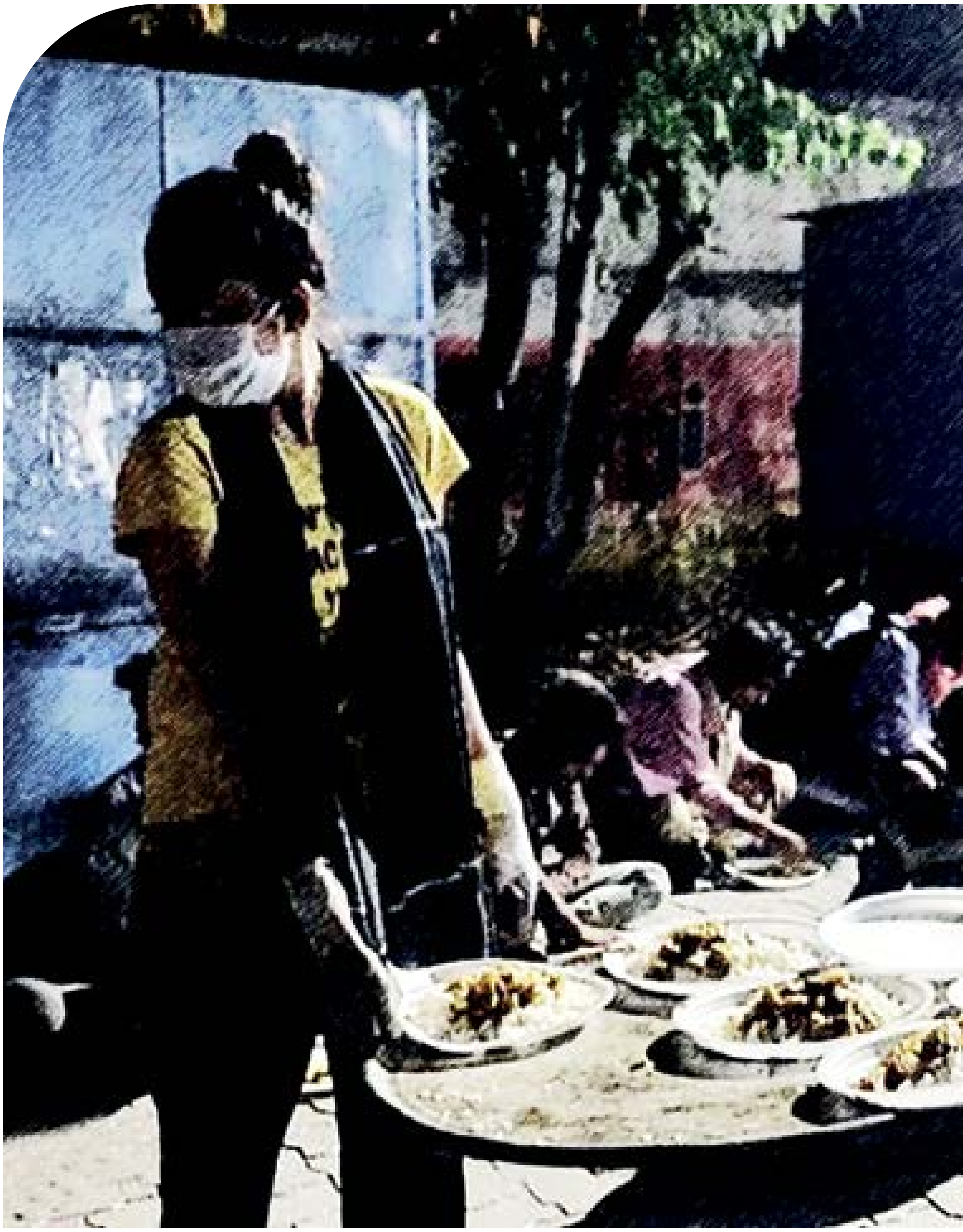
The messiah!

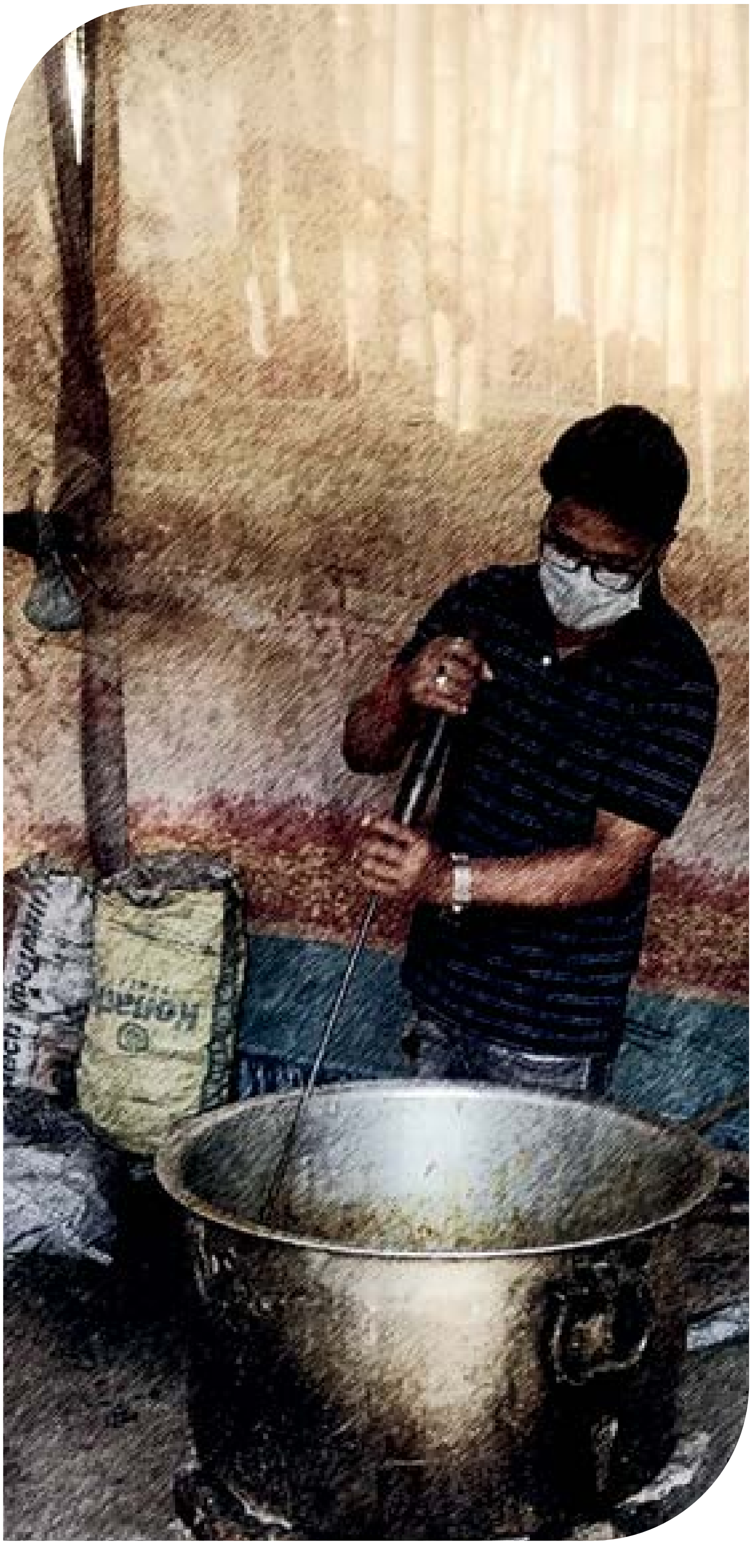
For some, the pandemic was a time to stay at home. People cribbed about being locked in.

For millions of others, it was a question of survival.

We are referring to those who live hand-to-mouth. For whom every day is a battle to secure the next meal. They were the hardest hit in the lockdown. For their meager savings, if any, would barely pull them through a week.

But then there are messiahs- people like Goutam Kumar. His friends and he realised the plight. They provided two meals every day to all those in need for the entire lockdown. They used their savings. They ensured, in their own little way, that some people did not sleep hungry.





Management Discussion and Analysis

How was Company's business performance in FY21?

It was a tough year no doubt. It was unprecedented for two important reasons – (1) our customers largely operate on the 'one-day-at-a-time' approach – the pandemic made everyone's tomorrow uncertain, and (2) we operate on a high-touch model – the lockdowns abruptly halted the high touch. Our business plans had to be altered almost overnight.

We suddenly saw ourselves working on a strategy of survival, rather than growth. What worked in our favour was that we planned realistically, mentally prepared ourselves for a contracted topline and a possible loss at the bottomline. Thus, when the numbers were finally aggregated, we were able to accept them with ease, while our minds were already in a different zone – a world beyond the pandemic, an ecosystem beyond prevailing uncertainties.

When did operations resume?

Although our Relationship Officers (ROs) were on the field since June 2020, the first half was a near washout. Our focus remained squarely on protecting our own people and connecting with the customers to show our solidarity with them and support them in whatever way we could. As the nation unlocked in a staggered manner, business resurfaced with volumes steadily picking up month-on-month. By the close of FY21, we were nearly up to pre-Covid levels – both in business volume and of recoveries, which was heartening.

How did you support customers during these stressed times?

During our interaction with the customers, we realised that while their intent to repay remained unhindered, their ability had shaken up because of the pandemic. In such a situation, one important step was that we gave moratorium on loan repayment to all our customers till restoration of normalcy. This gave them the breathing space to tide over their liquidity constrains and recouping their financial stability.

What were the standout features on the field in different regions?

We continued to do reasonably well in South India, which happens to be our key market. Local issues in Maharashtra took time to settle down. In the East and North, we are analysing a few interesting opportunities which hold the promise to widen our footprint in districts and states we are not present in. We are communicating with prospective partners and hope that the Company is able to endorse mutually-beneficial business relations to accelerate our business momentum going forward.

How did the Company manage team morale even as the pandemic raged?

Our first goal was to relieve our people of the mental stress. Unequivocally, the management decided to pay full salaries on time. In addition, we rolled out some other important Covid-relief measures for all our people who reported positive with the infection. The Company provided for Covid test expenses, introduced special Covid leave, provided Covid benefit allowance and hospitalisation cost reimbursement, in addition to the insurance benefit. These initiatives worked wonders as it reinforced the belief that the Company cares for its people.

To uplift the moral, we created a Happiness team. Our Happiness Managers remained connected with members of our team who had tested positive with the virus.

Simultaneously, the Company focused on employee engagement. We conducted Yoga sessions and organised festival celebrations online. We created a YouTube channel and encouraged team members to showcase their talent through this medium.

NOCPL is known for its innovative videos on financial literacy. We utilised this medium effectively. We made videos on "do and don't" during pandemic, educational videos (financial literacy and moratorium)– for our people and for customers. We made them multi-lingual for wider and effective use. These small yet meaningful initiatives went a long

way in creating a more cohesive team even as we remained distant physically.

There is a White Paper tabled by the RBI on microfinance. How does that impact your business going forward?

RBI has tabled a document on the future of the Microfinance sector. This document promises to create a level playing field for all microfinance players. When that happens, interest rates on microfinance may move southwards. Hence, cost management will become essential to enhance business profitability.

Are we ready for this?

Yes, we are. Over the years, optimum utilisation of resources and cost management has been engrained into our DNA. The pandemic has only re-enforced and further accelerated our intent to digitise and automate every aspect of our businesse, thereby, enhancing customer satisfaction and operational efficiency.

Where will the growth come from?

As per the Census of 2011, rural population in India is twice that of their urban counterparts. Moreover, a 2020 study from the World Economic Forum found some 220 million Indians sustained on an expenditure level of less than ₹ 32/day — the poverty line for rural India — by the last headcount of the poor in India in 2013. This would have definitely surged after the two successive waves of the pandemic, particularly the second one which has hit India's rural masses very hard. Small business have taken a huge hit and there is a vital need for capital to revitalise businesses.

The rural customers served by the microfinance sector are among the most resilient in the economy, as evidenced by the fact that default rates among microfinance borrowers are even lower than many corporate borrowers. Additionally, their businesses have close to zero gestation period between the time a loan is disbursed and the start of the business activities, enabling them to resume their work faster in case of disruption.

NOCPL is present in 14 of the 15 Indian states considered good for microfinance. This gives us the leg room to capitalise on opportunities mushrooming across India. Even as we continue to expand our geographic footprint, we are widening our services basket which should make a healthy contribution to our growth aspiration going forward.

How are you preparing for the growth?

We are rebuilding the NOCPL edifice. Studying our processes for instituting critical improvements. Enhancing the use of technology in mundane processes to utilise our intellectual capital in a more productive manner. Become nimbler even as we infuse speed and energy into our operations. We are creating a new NOCPL which retains our ethos even as it aligns to the dynamics of a more challenging tomorrow.

Story 5

Teaming up!

The pandemic, for some, was only about misery, for others uncertainty and strife, and for a very small section an opportunity to redefine their relevance. Relevance to mankind, which gave their being a completely new meaning.

So, it was with Mridul. Seeing the apathy all around owing to the pandemic and lockdown, Mridul and his friends created a volunteer group, called "Xipa ek Ostitta".

They teamed up with the police and health department and distributed food items to those in distress. They have helped over 400 families!

They did not stop there. Mridul's village and its residents were severely impacted by floods in the very same year. Xipa ek Ostitta swung into action, actively reaching out to all flood-affected families!

Xipa ek Ostitta… their journey continues!

STATUTORY REPORTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Sl. No.	Name of the Director	Designation
1	K. R. Kamath	Chairman and Non-Executive Director
2	Ambadas Mukundrao Pedgaonkar	Independent Director
3	Mohan Vasant Tanksale	Independent Director
4	Ganesh Ramanand Rao	Managing Director and Chief Executive Officer
5	Meenakshi Ganesh Rao	Executive Director

KEY MANAGERIAL PERSONNEL

Sl. No.	Name	Designation
1	Loganathan R.	Chief Financial Officer
2	Mona Thakkar	Company Secretary

STATUTORY AUDITORS

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Mumbai - 400059.
Email ID: snehal.shah1@haribhakti.co.in

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Navi Mumbai – 400703.
Tel.: 022 20870050;
E-mail ID: secretarial@nocpl.in;
Website: www.nocpl.in
CIN: U93030MH2014PTC252078

Directors' Report

Dear Members,

The Directors hereby submit the Annual Report of New Opportunity Consultancy Private Limited ('the Company' or 'NOCPL'), along with the Audited Financial Statements for the Financial Year (FY) ended March 31, 2021 (FY 21). The Consolidated performance of your Company and its subsidiary have been referred to wherever required.

1. FINANCIAL (STANDALONE AND CONSOLIDATED) SUMMARY and HIGHLIGHTS:

Your Company's performance during FY 21 as compared to previous FY ended March 31, 2020 (FY 20) is summarized below:

(₹In Lakh)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Income from operations	17,105.97	17,151.47	17,124.80	17,174.31
Other Income	676.89	105.09	691.58	105.10
Total Income	**17,782.86**	**17,256.56**	**17,816.38**	**17,279.41**
Total Expenditure	19,214.55	12,406.64	19,653.78	12,351.47
Exceptional / Extra ordinary items	-	-	-	-
Profit /(Loss) before tax	**(1,431.68)**	**4,849.92**	**(1,837.40)**	**4,927.94**
Provision for taxation and Deferred Taxes	110.89	1,244.18	207.47	1,278.59
Profit /(Loss) for the year	**(1,542.58)**	**3,605.74**	**(2,044.88)**	**3,649.35**
Other comprehensive Income	35.07	23.00	35.48	23.25
Profit for the period after the share of profit / (losses) of minority interest	**(1,507.50)**	**3,628.74**	**(2,009.36)**	**3,672.60**

Business performance in FY 21:

- Income from operations increased from ₹17,256.56 Lakh in FY 20 to ₹17,782.86 Lakh recording an annual growth of 3.05 %.
- Profit / (Loss) after Tax stood at ₹(1,542.58) Lakh in FY 21 as compared to ₹3,605.74 Lakh in FY 20, resulting in a Y-O-Y degrowth of 142.78%.
- Assets under Management (AUM) of your Company has grown at 15.59% on a Y-O-Y basis from ₹193,487.32 Lakh in FY 20 to ₹223,642.76 Lakh in FY 21.
- Branch network has increased from 462 branches across 11 states in FY 20, to 566 branches across 13 states in FY 21.
- Number of principals for whom your Company works as Business Correspondent has increased from 11 in FY 20 to 12 in FY 21.

The performance during the first half of FY 21 was affected by COVID-19 pandemic. The economic activities in the country came to a grinding halt with a country wide lockdown announced on March 24, 2020. While the operations of your Company were fully suspended from March 25, 2020 to May 31, 2020, it gradually started resuming from June 1, 2020. Based on the economic impact of the pandemic, Reserve Bank of India (RBI) came out with measures to reduce it's intensity and restore the economic activities. One of the major relief provided was a six month long moratorium on repayment of loans. Though the second half saw resumption of economic activities, the focus was on helping our customers to resume their businesses. Full-fledged fresh disbursements could start only in the fourth quarter of the year. As a result, the growth in business was subdued despite increase in number of branches, employees and principal relationships.

The second major impact of the pandemic was the default in repayment by the borrowers serviced by the Company leading to invocation of First Loss Default Guarantee (FLDGs). The total commitment to be met by the Company under FLDG mechanism for FY 21 was worked out at ₹39.06 Cr. Adding provision for Expected Credit Loss, the charge to the Profit & Loss account on this count was ₹52 cr. This resulted into an operational loss of ₹(1431.68) Lakh during FY 21 compared to profit ₹4849.92 Lakh during FY 20. Consequently, the Net worth of the Company saw a dip of 19.47% amount from ₹92.52 Cr to ₹77.44 Cr.

TRANSFER TO RESERVES

- **STANDALONE**

  The Company has not transferred any amount to the general reserve.

- **CONSOLIDATED**

  The Company has not transferred any amount to the consolidated general reserve.

2. DIVIDEND

As the Company incurred loss during the year, the Directors do not recommend any dividend for the FY 21.

3. STATE OF AFFAIRS AND FUTURE OUTLOOK:

FY21 started with immense apprehension. The unprecedented nationwide lockdown resulted in uncertainty – about people's safety and business continuity.

Your Company focused on our 'people first' ethos. 'People' for us have a dual connotation – our team and our customers.

As the lockdown was initiated, we ensured all our employees reached their hometowns safely within 2-3 days. Your Company announced that full salaries would be paid on time. This message provided considerable relief to the otherwise stressed employees.

With the phased unlocking, Your Company did not resume routine field activities immediately, especially collections, since our customers' livelihood and earnings were impacted due to the lockdown. Your Company gave a complete six-month moratorium to our customers which was appreciated by them. Your Company also ramped up our 24x7 customer grievance portal, enabling customers to reach our helpline via multiple channels.

Your Company are a human-interfacing business with high-touch processes. But the social distancing protocol announced by the government-mandated changes to our operating procedure. In keeping with these norms, your Company introduced a new hybrid operating model with minimal customer interaction aptly supported by IT solutions – it included cashless disbursements and automated receipts for payments, among many other features.

As India flattened the pandemic curve, business operations, leveraging the new operating model, reached the pre-Covid levels by the fourth quarter of 2020-21.

Your Company ended the year on a high note, only to be pushed back by the second wave of the Covid-19 pandemic which has been aggressive in its spread and adversity on lives and livelihoods. This time, the impact has been more intense among the rural masses – our operating area.

Even as experts suggest that the peak has been crossed in many cities and towns, your Company will tread cautiously to ensure the safety of our people even as we aim to maintain business continuity. In the overall scenario, your Company have come full circle and are back to battling the uncertainty 2021-22 throws at us.

4. CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business of your Company during the FY 21.

5. SUBSIDIARY

In accordance with Section 129(3) of the Act, a statement containing salient features of the financial statements of Indian Association for Saving and Credit (IASC), the Subsidiary Company in form AOC-1 is appended as **Annexure A** which forms a part of this Report.

There is no business activity in the Subsidiary Company for the whole of FY 21. PAT is derived from the Interest Income received by the Company from the loans provided.

Profit/(Loss) After Tax stood at ₹ (503.32) Lakh in FY 21 as compared to ₹43.64 Lakh in FY 20.

6. CHANGES IN CAPITAL AND DEBENTURES

There was no change in the share capital during the FY 21. The Company does not have any outstanding debentures.

7. DEPOSITS

Your Company has not accepted any deposits during the FY 21.

8. ANNUAL RETURN

As per Section 134 (3) (a) of the Companies Act, 2013 (the Act), annual return referred to in Section 92 of the Act has been placed at the web site https://www.nocpl.in/financial.html

9. BOARD OF DIRECTORS AND MEETINGS

As on date of this Report, your Company's Board of Directors comprises of the following members, namely:

Sl. No.	Name of the Director	Designation	DIN
1	K. R. Kamath	Chairman and Non-Executive Director	01715073
2	Ambadas Mukundrao Pedgaonkar	Independent Director	03540861
3	Mohan Vasant Tanksale	Independent Director	02971181
4	Ganesh Ramanand Rao	Managing Director and Chief Executive Officer	02302989
5	Meenakshi Ganesh Rao	Executive Director	06748708

No change took place in the Board's composition during the FY 21.

BOARD MEETINGS:

During the FY 21, 5 (five) Board Meetings were held on May 26, 2020, July 24, 2020, September 24, 2020, November 07, 2020 and January 27, 2021 respectively and all the Directors were present in all the Board meetings held during the FY 21.

COMMITTEES OF THE BOARD

Currently, the Board has 4 (four) Committees: Audit Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee and Management Committee.

AUDIT COMMITTEE:

During the FY 21, 4 (four) Audit Committee meetings were held on May 26, 2020, July 24, 2020, November 07, 2020 and January 27, 2021 respectively and all the Members were present in all the Audit Committee meetings held during the FY 21.

All the recommendations made by the Audit Committee were accepted by the Board.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

During the FY 21, 1 (One) meeting of the Corporate Social Responsibility Committee (CSR) was held on November 07, 2020 and all the Members were present in the CSR committee meeting.

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has adopted a Policy on CSR and the Policy has been placed on the website of the Company. The salient features of the policy & Report on CSR is attached as **Annexure B** to this Report.

NOMINATION AND REMUNERATION COMMITTEE:

Your Company had constituted a Nomination & Remuneration Committee (NRC) pursuant to Section 178 of the Companies Act, 2013 but it is not applicable to the Company since it is no longer a listed Company. However, as a good corporate governance practice, your Company continues to have the Committee. Since there was no matter to be placed before the NRC during the FY20-21, no meeting was required to be held.

MANAGEMENT COMMITTEE:

During the FY 21, 12 (Twelve) meetings of the Management Committee were held on September 22 2020, October 16 2020, November 6 2020, December 7 2020, December 21 2020, December 31 2020, January 11 2021, January 20 2021, February 2 2021, February 12 2021, March 9 2021, March 30 2021.

Particulars of the composition and attendance of Members at the Management Committee Meetings are given below:

Sr. No.	Name	Nature	Attendance
1	Mr. Ganesh Ramanand Rao	Chairman and Managing Director	12
2	Mrs. Meenakshi Ganesh Rao	Executive Director	12
3	Mr. Loganathan R.	Chief Financial Officer	12

10. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors (IDs) have submitted declaration of independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In the opinion of the Board, these IDs fulfill the conditions specified in the Act and the rules made thereunder for appointment as IDs and confirm that they are independent of the Management.

11. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief, and according to the information and explanations obtained by them, the Directors confirm the following in terms of Section 134 of the Companies Act, 2013 and the Rules made thereunder: -

a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

d. the Directors have prepared the annual accounts on a going concern basis;

e. the Directors have laid down internal financial controls which are adequate and operating efficiently;

f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

12. ANNUAL EVALUATION

Your Company has adopted a Policy on appointment, remuneration and evaluation of the Directors, Key Managerial Personnel and Senior Management (the "Policy") as required by the provisions of Section 178 of the Companies Act, 2013 (the "Act"). The aforesaid policy has been placed on the website of the Company. The weblink to the policy is https://nocpl.in/directors-appointment-remuneration-policy.html.

The purpose of this Policy is to establish and govern the procedures applicable to evaluate the performance of the members of the Board, modalities for remuneration payable to Directors, Key Managerial Personnel (KMP) and Senior Management and laying down manner of appointment of KMP and Senior Management personnel. The policy also lays down criteria for evaluation of the Board as a whole, Individual Directors, Committees and Chairman.

Board has carried out the Annual performance evaluation for the FY 21, on Nov 1, 20 of its own performance, the Directors individually as well as the working of its committees. A structured exercise was carried out based on the criteria for evaluation forming part of the Directors Appointment, Remuneration & Evaluation Policy. Inputs were received from the Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, attendance at Meetings, Board culture, duties of Directors, and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including Independent Directors and the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its Stakeholders etc.

13. LOAN FROM DIRECTORS

The Company has not obtained any loan from Directors during the FY 21.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the FY 21, your Company had not granted any loans or guarantees or made any investments covered under Section 186 of the Act.

No fresh investment was made in the share capital of the subsidiary company during FY 21.

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into by the Company with related parties under Section 188 of the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length basis. The Company did not enter into any material contracts or arrangements or transactions with related parties, under Section 188 of the Companies Act, 2013, during the financial year.

16. KEY MANGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Companies Act, 2013 read with the rules made thereunder, the following employees are the whole-time Key Managerial Personnel of the Company:

1. Ganesh Rao, Managing Director and CEO
2. Meenakshi Rao, Executive Director
3. Loganathan R., Chief Financial Officer
4. Mona Thakkar, Company Secretary

No change took place in the composition of the whole-time Key Managerial Personnel of your Company during the FY 21.

17. PARTICULARS OF EMPLOYEES

The company being a private company is not required to disclose particulars of employees as required under Section 197 of the Companies Act, 2013.

18. AUDITORS AND AUDITORS' OBSERVATIONS

A. **Statutory Auditors:** M/s. Haribhakti and Co. LLP, Chartered Accountants., were re-appointed as the Statutory Auditors of the Company at the Annual General Meeting (AGM) of the Shareholders held on July 24 2020.

The report of the Auditors on the Financial Statements is attached herewith. The report does not contain any qualification, reservation or adverse remark.

The notes to the accounts forming part of the financial statements are self-explanatory and need no further clarifications or explanations. There have been no frauds reported by the Auditors other than the ones detected and reported by the management for the FY 21 pursuant to Section 143 of the Companies Act, 2013.

B. **Internal Auditors:** In order to strengthen the Internal Control Mechanism your company has appointed M/s. Ramakrishnan and Co., Chartered Accountants as the Internal Auditors of your Company.

19. SECRETARIAL COMPLIANCE CERTIFICATE

M/s. S. Sandeep & Associates, Practicing Company Secretaries have issued a Secretarial Compliance Certificate for the FY 21.

The Secretarial Compliance Certificate for the FY 21 **(Annexure C)** forms a part of Annual Report. The Secretarial Compliance Certificate does not contain any qualification, reservation or adverse remark.

20. COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Act.

21. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments in your Company between March 31, 2021 and the date of this report having an adverse bearing on the financial position of the Company except for the fact that the nation-wide lock down has been extended multiple times and the business of the Company is in a pause mode.

22. RISK MANAGEMENT

Your Company, being a Business Correspondent to various Banks/NBFCs, has to manage various risks. The management reviews and monitors these risks at periodical intervals.

Your Company has adopted a 'Risk Management Policy' covering appropriate risk-management measures, systems and processes that seek to strike an appropriate balance between risk and returns.

23. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adopted Internal Control Systems and Procedures considering the nature of business and complexity of its operations for ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, processes for prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial statements.

With a view to suggest improvements, add value and strengthen the overall internal control system including risk management, the Company has appointed a Chartered Accountants' firm as Internal Auditors, who shall provide an independent and critical appraisal of the functioning of the Company on a continuous basis. All significant observations of Internal Audit, its suggestions and follow-up action are being presented to the Board's Audit Committee on periodical basis.

24. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Your Company has not declared any dividends from its incorporation. Hence, there is no unclaimed dividend relating to the earlier financial years, which needs to be transferred to the Investors Education and Protection Fund, in terms of Section 125 of the Companies Act, 2013.

25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the FY 21, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

26. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

- **Conservation of Energy and Technological Absorption**

  Your company has no activity relating to conservation of energy or technology absorption. Your company does not have any research and development facility.

- **Foreign Exchange Earnings and Outgo**

  Your company during the FY 21 had no earnings or expenditure in foreign exchange.

27. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

Your Company has established a Vigil Mechanism and has adopted a Whistle Blower Policy for Directors and Employees as per Section 177 of the Companies Act, 2013 to report their genuine concerns to the Chairman of the Audit Committee.

The Policy is disclosed on the Company's website in the link https://nocpl.in/whistle-blower-policy.html.

28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place a 'Policy for Prevention of Sexual Harassment at Workplace' in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees and visitors at workplace are covered under the Policy. As per the provisions of the Act, Internal Complaints Committees (ICC) have been set up at Head Office and Coimbatore Zonal Office to redress any complaints regarding sexual harassment. With a view to publicize the Company's Policy and as a measure for prevention of sexual harassment, the external member of the ICC (Practicing Advocate dealing with Labour Law & Women Issues) conducted 'Awareness Session' at Head Office by explaining the nuances of relevant provisions of the Act to the employees and shared her views/ experiences in resolving such complaints.

No complaint necessitating action by the ICC has been received by your Company during the FY 21.

The Policy is disclosed on the Company's website in the link https://nocpl.in/posh.html.

29. SECRETARIAL STANDARDS OF ICSI

Your Company is in compliance with the relevant provisions of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government.

30. ACKNOWLEDGEMENT

The Directors wish to thank the Principal Banks/NBFCs, Customers, Service Agencies, and other Stakeholders for their support. The Directors also thank the Employees for their contribution during the FY 21 despite challenging environment.

For and on behalf of the Board
Chairman
K. R. Kamath
DIN: 01715073

Place: Mumbai
Date: 08th May, 2021

ANNEXURE A

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries: **(₹ In Lakh)**

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Indian Association for Savings and Credit
2.	The date since when subsidiary was acquired	Jan 30, 2014
3.	Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period	March 31, 2021
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of Foreign Subsidiaries	NA
5.	Share capital	60.00
6.	Reserves & surplus	1,440.72
7.	Total assets	1,570.25
8.	Total Liabilities	1,570.25
9.	Investments	76.03
10.	Turnover	--
11.	Profit before taxation	(406.02)
12.	Provision for taxation	96.58
13.	Profit after taxation	(502.60)
14.	Proposed Dividend	0
15.	% of shareholding	99.98%

For and on behalf of the Board of Directors

For New Opportunity Consultancy Private Limited

Sd/-
K.R. Kamath
Chairman
DIN: 01715073

Sd/-
Ganesh Ramanand Rao
Managing Director & CEO
DIN: 02302989

Sd/-
R. Loganathan
Chief Financial Officer

Sd/-
Mona Jeetendra Thakkar
Company Secretary
ACS M. No: A43836

Place : Mumbai
Date : 08th May, 2021

ANNEXURE B

ANNUAL REPORT ON CSR ACTIVITIES

1. CSR Objectives and brief outline of the Company's CSR Policy:

Your Company has adopted a Corporate Social Responsibility Policy pursuant to Section 135 of the Companies Act, 2013. Your Company is a new generation service provider in the business of promoting financial inclusion. The Company acts as Authorized Business Correspondents to multiple Banks and Non-Banking Finance Companies (NBFCs) in India. Your Company's goal of financial inclusion is incomplete unless it provides or enhances the livelihood opportunities of its customers.

NOCPL is a growing company and is committed towards social welfare of the common people. It caters to the needs of self-employed, informal segment of customers belonging to low income, primarily from semi urban and rural markets. The Company seeks to positively impact the lives of the disadvantaged by supporting and engaging in activities that aim to improve their well-being.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Meenakshi Rao	Chairman and Executive Director	1	1
2	Dr. Ambadas Pedgaonkar	Independent Director	1	1
3	Mr. Mohan Tanksale	Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. https://nocpl.in/corporate-social-responsibility-policy.html

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). – NA

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
1	**NA**		
2			
3			
	TOTAL		

6. Average net profit of the company as per section 135(5) – ₹4228.19 Lakh

7. (a) Two percent of average net profit of the company as per section 135(5) - ₹84.56 Lakh

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - NA

   (c) Amount required to be set off for the financial year, if any – NA

   (d) Total CSR obligation for the financial year (7a+7b- 7c) - ₹84.56 Lakh

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (in ₹)	Date of transfer	Name of the Fund	Amount	Date of transfer
₹20.39 Lakh	₹64.17 Lakh	30.04.2021	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implem-entation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Regist-ration number.
1.	Nukkad Pathshala	Promotion of education	Yes	Tamil Nadu	13 Districts Tuticorin, Virudhunagar, Coimbatore, Trichy, Thanjavur, Dindigul, Theni, Madurai, Salem, Thirupur, Erode, Namakkal, and Dharmapuri Totally 39 Nukkad Pathshala centers are operational with 45 teachers and 1135 students.	Ongoing	79.87 Lakh	15.70 Lakh	64.17 Lakh	Direct	NA	NA
2.	COVID 19 Vaccination	Promoting health care including preventive health care and sanitation				Ongoing		0		Direct	NA	NA
	TOTAL						**79.87**	**15.70**	**64.17**			

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of impleme-ntation - Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State.	District.			Name	CSR regist-ration number
1.	Adoption of Pillur Tribal Village	Eradicating hunger, poverty, malnutrition and promoting healthcare, education	Yes	Tamil Nadu	Pillur Village in Coimbatore district	0.46 Lakh	Direct	NA	NA
	TOTAL					**0.46 Lakh**			

(d) Amount spent in Administrative Overheads – ₹4.23 Lakh

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹20.39 Lakh

Excess amount for set off, if any - NA

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	NA
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

(a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	NA	NA	NA	NA	NA	NA	NA
2.							
3.							
	TOTAL						

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
1.	NA	NA	NA	NA	NA	NA	NA	NA
2.								
3.								
	TOTAL							

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

    (a) Date of creation or acquisition of the capital asset(s). - NA

    (b) Amount of CSR spent for creation or acquisition of capital asset. - NA

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

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - NA

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

    NOCPL carries out CSR initiatives in the focus areas as approved by the CSR Committee and the Board benefitting the community at large. Nukkad Pathshala is the major CSR initiative of the Company promoting education for the children living in slums where the chances of dropping out from schools are high. However, due to the ongoing COVID 19 pandemic, the Company was unable to implement the ongoing Nukkad Pathshala CSR project as planned.

    Due to the severe impact of COVID pandemic, the Company has decided to take COVID related relief activities including COVID vaccination under it's CSR programs and classified it as an ongoing project for FY 21-22.

Both the ongoing CSR projects are scalable that may be considered in future and moving forward, the Company will continue to endeavor to spend the budgeted amount on CSR activities in accordance with the statutory requirements. The Board vide its circular resolution dated March 31 2021 approved the proposal to transfer the unspent CSR amount for the financial year ending 31st March 2021 to a separate bank account to be opened by the Company with any scheduled bank and the same shall be earmarked for ongoing projects commencing from the FY 21. Accordingly, an unspent CSR account was opened with IDBI Bank, Vashi branch and the unspent CSR amount for the financial year ending March 31 2021 has been transferred to the said account before April 30 2021.

Ganesh Rao
Managing Director

Meenakshi Rao
Chairman of CSR Committee

SCHEDULE – I

IMPARTING SKILLS, BUILDING LIVES

The Corporate Social Responsibility (CSR) programmes of New Opportunity Consultancy Pvt. Ltd. (NOCPL/the Company) commenced since the very inception of the organization, long before it was mandatorily applicable to the Companies under the Companies Act, 2013. CSR philosophy of the Company is in line with its organizational objective to contribute to the cause of uplifting less-privileged members of the society by providing platform for developing livelihood skills, health/ environmental awareness as also education for communities, particularly around the Company's areas of operation. A brief outline of the Company's CSR activities and highlights of FY 21 are given below:

- **Skill Development:** In association with polytechnics, ITIs, other approved institutions and Bank sponsored RSETIs, the Company arranges skill-building training courses, on successful completion of which participants are given offer for placement or motivated to be self-employed, wherein the Company helps them in availing credit linkage through its partner Banks.

  In FY'21, 500 members enrolled in virtual online skill training programs arranged by NOCPL. Further, 13 and 5 candidates have joined 2-year free ITI courses offered by renowned Murugappa group and Ramakrishna Mission Vidhyalaya respectively, through the Company's active association.

- **Education:** For the benefit of the children of borrower customers, the Company has set up 39 free after-school informal learning centers (Nukkad Pathshalas) at various locations of Tamil Nadu, with strength of 45 teachers and 1,135 students. These centers aim at delivering foundational English, Mathmatics, and Science skills to children between 5 to 15 years of age.

  During FY'21, Nukkad Pathshalas moved online and initiated daily virtual classes including Covid-19 awareness programs. An online menstrual hygiene awareness programme was also conducted for the girl students.

- **Health Care:** NOCPL also partners with recognized and reputed hospitals to carry out general health check-up, eye check-up, dental and pediatric check-ups for its customers and their family members.

  While the scope of this activity remained limited during FY'21 due to pandemic situation, branches of the Company, with a view to create awareness about Covid-19, conducted sessions to educate the customers and their families about the basic measures for preventing the disease.

- **Rural Development:** The Company has adopted a tribal village, Pillur in Tamilnadu, wherein general developmental activities, viz. upgrading infrastructure of the Government primary school (including providing a computer), availability of safe drinking water, solar lighting etc. have been undertaken, in association with local administration.

  Apart from bearing maintenance expenses of the aforesaid facilities, the Company has distributed free masks/ sanitizers, essential grocery items and clothings to a large section of the villagers during FY'21. In addition, higher education for a tribal student was also sponsored.

Annexure C

SECRETARIAL COMPLIANCE CERTIFICATE

We have examined the registers, records and documents of **M/s NEW OPPORTUNITY CONSULTANCY PRIVATE LIMITED** having its registered office at 7th Floor, No.707/708, Cyber One, Plot No 4 & 6, Sector No. 30A, Vashi Navi Mumbai, Thane, Maharashtra-400703 for the financial year ended on 31st March 2021, according to the provisions of the Companies Act, 2013 and the rules made thereunder.

Based on our examination and verification of records produced to us and according to the information and explanations given to us by the Company, in our opinion the company has complied with the provisions of the Companies Act, 2013 ("the Act") and the Rules made under the Act, and the Memorandum and Articles of Association of the Company with regard to:

1. Maintenance of statutory registers and documents and making necessary entries therein.
2. Filing of the requisite forms and returns with the Registrar of Companies as prescribed under the Act and the rules made thereunder.
3. Convening and holdings of the meetings of Directors and shareholders.
4. Minutes of the proceedings of meetings of the Board, Committees and General meetings.
5. Constitution of Board of Directors, Committees of the Board and appointment of directors.
6. The directors have disclosed their interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities and their disclosures have been noted and recorded by the Board.
7. Appointment and remuneration of Auditors.
8. The company has not invited / accepted any deposits falling within the purview of Section 73 of the Companies Act, 2013 during the financial year.
9. The company has not bought back any shares during the financial year.
10. The company has made borrowings during the financial year in compliance with the provisions of the Act.
11. The Company has made inter corporate loans and investments in accordance with the provisions of the Act.
12. There were no transfer and transmission of shares during the financial year, under review.
13. The company has not altered any provisions of its Memorandum and Articles of Association during the financial year under review.
14. There was no prosecution initiated against or show cause notice received by the Company and no fines or any other punishment was imposed on the Company, its Directors and officers during the financial year for any offences under the Act.

For **S Sandeep & Associates**
Company Secretaries
S Sandeep
FCS 5853; COP 5987
UDIN: F005853C000218923

Date: 8th May 2021
Place: Chennai

STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of New Opportunity Consultancy Private Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of New Opportunity Consultancy Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note No. 30 to the accompanying standalone Ind AS financial statements which explains the uncertainties and the management's evaluation of the financial impact on the Company due to lockdown and other restrictions imposed by the local government(s) on account of COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Director's Report, but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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.

Other Matter

Due to severe health hazard associated with COVID-19 and the consequential lockdown and other restrictions imposed by the local government(s), it was neither practicable for us to physically verify certain documents pertaining to revenue and expense transactions nor the management could facilitate scan copies of the same due to its voluminous nature. Therefore, we have performed and relied on other related alternative audit procedures to obtain comfort over the completeness and accuracy of these transactions.

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 section 143(11) of the Act, we give in **"Annexure 1",** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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 (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. The matter described under the Emphasis of Matter section above, in our opinion, may have an adverse effect on the functioning of the Company;

f. On the basis of the 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 Act;

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure 2";**

h. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 29 on Contingent Liabilities to the standalone Ind AS financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sd/-
Snehal Shah
Partner
Membership No. 048539
UDIN: 21048539AAAABE1683

Place: Mumbai
Date : May 08, 2021

ANNEXURE 1 To The Independent Auditor's Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of New Opportunity Consultancy Private Limited on the standalone Ind AS financial statements for the year ended March 31, 2021]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of New Opportunity Consultancy Private Limited ("the Company") and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of physical verification of fixed assets to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, the fixed assets of the Company have not been physically verified by the management during the year and as such, we cannot comment on material discrepancies existing, if any.

(c) The Company does not have any immovable property and hence, reporting under clause 3(i)(c) of the Order is not applicable.

(ii) The Company is in the business of providing services and does not have any inventories. Accordingly, clause 3(ii) of the Order is not applicable to the Company.

(iii) 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, clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(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.

(vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it, except that there have been slight delays in few cases. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs 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.

(b) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of any dispute.

(viii) During the year, the Company has been regular in the repayment of loans or borrowings to financial institutions and banks, except that there have been slight delays in few cases. The Company did not have any outstanding loans from government or dues to debenture holders.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(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) As the Company is a private limited company, the provisions of section 197 read with Schedule V to the Act are not applicable to the Company. Accordingly, clause 3(xi) of the Order is not applicable to the Company.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) As the Company is a private limited company, the provisions of section 177 of the Act are not applicable to the Company. Further, all transactions entered into by the Company with the related parties are in compliance with section 188 of Act, where applicable, and the details have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sd/-
Snehal Shah
Partner
Membership No. 048539
UDIN: 21048539AAAABE1683

Place: Mumbai
Date : May 08, 2021

ANNEXURE 2 To The Independent Auditor's Report

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of New Opportunity Consultancy Private Limited on the standalone Ind AS financial statements for the year ended March 31, 2021]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of New Opportunity Consultancy Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sd/-
Snehal Shah
Partner
Membership No. 048539
UDIN: 21048539AAAABE1683

Place: Mumbai
Date : May 08, 2021

Audited Balance Sheet as at 31st March, 2021

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	682.68	640.14
(b) Intangible assets	3	8.53	16.49
(c) Investment in subsidiary company	4	180.50	180.50
(d) Financial assets			
- Loans	5A	0.85	6.78
- Other financial assets	5B	3,216.07	4,916.20
(e) Deferred tax assets (net)	6	-	122.70
(f) Non current tax assets (net)	7	815.79	100.40
Total non-current assets		**4,904.42**	**5,983.22**
Current assets			
(a) Financial assets			
(i) Trade receivables	8	1,921.21	1,793.50
(ii) Cash and cash equivalents	9	2,252.20	613.74
(iii) Bank balances other than (ii) above	10	8,436.41	4,916.07
(iv) Loans	11	13.88	32.32
(v) Other financial assets	12	462.20	461.58
(b) Other current assets	13	225.72	132.82
Total current assets		**13,311.62**	**7,950.03**
Total Assets		**18,216.05**	**13,933.25**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	535.75	535.75
(b) Other equity	15	7,209.02	8,716.52
Total Equity		**7,744.77**	**9,252.27**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
- Borrowings	16	1,847.71	2,508.58
Total non-current liabilities		**1,847.71**	**2,508.58**
Current liabilities			
(a) Financial liabilities			
- Other financial liabilities	17	6,089.57	1,234.38
(b) Other current liabilities	18	802.69	587.46
(c) Provisions	19	1,731.32	350.55
Total current liabilities		**8,623.57**	**2,172.39**
Total liabilities		**10,471.28**	**4,680.97**
Total Equity and Liabilities		**18,216.05**	**13,933.25**

The accompanying notes 1 to 46 are an integral part of the financial statements.
In terms of our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Sd/-
Snehal Shah
Partner
Membership No. 048539

Place: Mumbai
Date: 08th May, 2021

For and on behalf of the Board of Directors

Sd/-
K.R. Kamath
Chairman
DIN: 01715073

Sd/-
Ganesh Ramanand Rao
Managing Director & CEO
DIN: 02302989

Sd/-
R. Loganathan
Chief Financial Officer

Sd/-
Mona Jeetendra Thakkar
Company Secretary
ACS M. No: A43836

Place : Mumbai
Date : 08th May, 2021

Audited Statements of **Profit & Loss** for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars		Note	Year ended 31st March, 2021	Year ended 31st March, 2020
I.	Revenue from operations	20	17,105.97	17,151.47
II.	Other Income	21	676.89	105.09
III.	**Total Income (I + II)**		**17,782.86**	**17,256.56**
IV.	**Expenses:**			
	Employee benefits expense	22	10,789.61	9,115.07
	Finance costs	23	488.98	526.88
	Depreciation and amortization expense	24	175.44	216.63
	Other expenses	25	7,760.52	2,548.06
	Total Expenses		**19,214.55**	**12,406.64**
V.	**Profit before tax (III - IV)**		**(1,431.68)**	**4,849.92**
VI.	**Tax Expense**	26		
	(1) Current Tax		-	1,222.00
	(2) Deferred Tax		110.89	39.18
	(3) Taxation for earlier years		-	(17.00)
VII.	**Profit for the year (V - VI)**		**(1,542.58)**	**3,605.74**
VIII.	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss (net of tax expense)			
	- Remeasurement of post employment benefit obligations		46.87	30.73
	- Income tax relating to these items		(11.80)	(7.73)
	Total other comprehensive income		**35.07**	**23.00**
IX.	**Total comprehensive income (VII+VIII)**		**(1,507.50)**	**3,628.74**
X.	**Earnings per equity share of face value of ₹ 10 each**	27		
	- Basic and Diluted		(28.79)	67.30

The accompanying notes 1 to 46 are an integral part of the financial statements.
In terms of our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Sd/-
Snehal Shah
Partner
Membership No. 048539

Place: Mumbai
Date: 08th May, 2021

For and on behalf of the Board of Directors

Sd/-
K.R. Kamath
Chairman
DIN: 01715073

Sd/-
Ganesh Ramanand Rao
Managing Director & CEO
DIN: 02302989

Sd/-
R. Loganathan
Chief Financial Officer

Sd/-
Mona Jeetendra Thakkar
Company Secretary
ACS M. No: A43836

Place : Mumbai
Date : 08th May, 2021

Statement of Changes in Equity for the year ended 31st March, 2021

A. Equity share capital

Particulars	(₹ in Lakhs)
Balance as at 31st March, 2020	535.75
Shares issued during the year	-
Balance as at 31st March, 2021	**535.75**

B. Other equity

Particulars	Reserves and surplus				Total other equity
	Securities Premium	Debenture Redemption Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2019	**123.75**	**220.00**	**-**	**4,744.02**	**5,087.77**
Profit for the year 2019-20	-	-	-	3,605.74	3,605.74
Other Comprehensive income (net of tax)	-	-	-	23.00	23.00
Balance as at 31st March, 2020	**123.75**	**220.00**	**-**	**8,372.77**	**8,716.52**
Profit for the year 2020-21	-	-		(1,542.58)	(1,542.58)
Transfer to General Reserve		(220.00)	220.00		-
Other Comprehensive income (net of tax)	-	-		35.07	35.07
Balance as at 31st March, 2021	**123.75**	**-**	**220.00**	**6,865.26**	**7,209.02**

The accompanying notes 1 to 46 are an integral part of the financial statements.
In terms of our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048
Sd/-
Snehal Shah
Partner
Membership No. 048539

Place: Mumbai
Date: 08th May, 2021

For and on behalf of the Board of Directors

Sd/-
K.R. Kamath
Chairman
DIN: 01715073

Sd/-
Ganesh Ramanand Rao
Managing Director & CEO
DIN: 02302989

Sd/-
R. Loganathan
Chief Financial Officer

Sd/-
Mona Jeetendra Thakkar
Company Secretary
ACS M. No: A43836

Place : Mumbai
Date : 08th May, 2021

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

(₹ in Lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
A. Cash Flows Activities				
Profit before tax for the year		(1,431.68)		4,849.92
Adjustments for:				
Interest Income on Financial Asset	(530.92)		-	
Depreciation and amortization expense	175.44		216.63	
Finance Cost	488.98		526.88	
Loss on sale of assets	-		3.20	
Liability no longer payable written back	-		-	
Provision for expected credit loss on EMIs	5,200.00		341.30	
Provision for expected credit loss on Trade Receivable	-		0.51	
Loss on sale of Mutual Fund Units	-	5,333.50	-	1,088.52
Operating profit before working capital changes		**3,901.81**	**-**	**5,938.44**
Adjustment for -				
- (Increase)/decrease in trade receivables	(127.71)		(291.60)	
- (Increase)/decrease in Non-current and current financial assets	(1,894.79)		(3,355.77)	
- (Increase)/decrease in Other non-current and current assets	(92.77)		(53.03)	
- (Decrease)/increase in non-current and current financial liabilities	3,326.21		(723.29)	
- (Decrease)/increase in other non-current and current liabilities	215.23		(65.26)	
- (Decrease)/increase in other non-current and current provisions	(3,772.35)	(2,346.17)	(530.19)	(5,019.13)
Cash generated from operations		1,555.64		919.32
Income taxes paid (net of refunds)		(715.39)		(1,474.54)
Net cash generated from/ (used in) operating activities - (A)		**840.25**		**(555.23)**
B. Cash Flows from Investing Activities				
Purchase of Property, Plant & Equipment and Intangible Assets		(256.14)		(317.59)
Proceeds from sale of Property, Plant & Equipment		-		0.85
(Purchase)/sale of Investments		-		-
Interest Income on Financial Asset		530.92		-
Net cash used in investing activities - (B)		**274.78**		**(316.74)**
C. Cash Flow from Financing Activities				
Proceeds from non-current borrowings (Refer Note 42)		2,771.06		1,532.56
Repayment of non-current borrowings (Refer Note 42)		(1,811.67)		(977.44)
Overdraft facility from Bank		-		145.76
Interest paid		(435.95)		(572.31)
Net cash generated from / (used in) financing activities - (C)		**523.44**		**128.57**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		1,638.46		(743.40)
Cash and cash equivalents at the beginning of the year		613.74		1,357.14
Cash and cash equivalents at the end of the year		**2,252.20**		**613.74**

Contd..

Statement of Cash Flows (Contd..) for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Components of Cash & Cash Equivalents (Refer Note 9)				
Cash		-		25.00
Balances With Bank:				
in current accounts		2,252.20		588.74
in fixed deposit accounts with maturity less than 3 months		-		-
		2,252.20		**613.74**

The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7- Statement of Cash Flows.
The accompanying notes 1 to 46 are an integral part of the financial statements.
In terms of our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048
Sd/-
Snehal Shah
Partner
Membership No. 048539

Place: Mumbai
Date: 08th May, 2021

For and on behalf of the Board of Directors

Sd/-
K.R. Kamath
Chairman
DIN: 01715073

Sd/-
Ganesh Ramanand Rao
Managing Director & CEO
DIN: 02302989

Sd/-
R. Loganathan
Chief Financial Officer

Sd/-
Mona Jeetendra Thakkar
Company Secretary
ACS M. No: A43836

Place : Mumbai
Date : 08th May, 2021

Notes on the Standalone Financial Statement for the year ended 31st March 2021

1. Significant Accounting Policies

i. Corporate Information:

New Opportunity Consultancy Private Limited (NOCPL) is a Company incorporated under the Companies Act, 2013. The Company is an authorised Business Correspondent (BC) of YES Bank Ltd., RBL Bank Ltd., Reliance Commercial Finance Ltd., DCB Bank Ltd., IDBI Bank Ltd., Utkarsh Small Finance Bank Ltd., Axis Bank Ltd., Kotak Mahindra Bank Ltd., Fincare Small Finance Bank, Equitas Small Finance bank, Northern Arc, Fed Fin Financial Services Ltd. and Suryoday Small Finance Bank. The Company is engaged 'in the business of providing micro loans under Self Help Group (SHG)/ Joint Liability Group (JLG) model and other related financial services on behalf of the banks. The Company manages a portfolio of ₹2,23,642.76 Lakhs (PY ₹1,93,487.32 Lakhs) as on the balance sheet date with regard to the services as a Business Correspondent.

ii. General Information and Statement of Compliance with Ind AS:

These financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented. The financial statements for the year ended 31st March, 2021 were authorized and approved for issue by the Board of Directors on 8th May, 2021.

iii. Basis of Preparation:

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

The Financial Statements have been prepared & presented on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on the basis stated above, except for Accounting for Leases that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use under Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

iv. Use of Estimates:

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed separately under the heading "Significant accounting Judgements, estimates and assumption".

Notes on the Standalone Financial Statement for the year ended 31st March 2021

v. Current versus non-current classification

The entity presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current, when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current, when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The entity classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

vi. Foreign currency transactions

Functional and presentation currency

The financial statements are presented in Indian Rupee in Lakhs which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest rupee.

(a) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

xviii. Property, Plant and Equipment:

Property, Plant and Equipment (PPE), being fixed assets are tangible items that are held for use in supply of services or for administrative purposes and are expected to be used for more than a period of twelve months. They are measured at cost less accumulated depreciation and any accumulated impairment. Cost comprises of the purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management.

Depreciation on Property, Plant and Equipment (PPE) are provided under straight line method as per the useful lives and manner prescribed under Schedule II to the Companies Act, 2013, except leasehold buildings under operating lease arrangements, which are amortised over the leasehold period.

Where the cost of a part of the PPE is significant to the total cost of the PPE and if that part of the PPE has a different useful life than the main PPE, the useful life of that part is determined separately for depreciation.

The Company has used the following useful lives to provide depreciation on its Property, Plant and Equipment:

Class of Assets	Useful Lives
Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years

Improvements to Leasehold Buildings are amortized as

Notes on the Standalone Financial Statement for the year ended 31st March 2021

depreciation over the lease period, which is considered as the estimated useful life by the management.

The depreciation method applied to an asset is reviewed at each financial year-end and if there has been a significant change in the expected pattern of consumption of future economic benefits embodied in the asset, depreciation is charged prospectively to reflect the changed pattern.

The carrying amount of an item of PPE is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of Property, Plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognised.

viii. Intangible assets and amortisation:

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. Operating software is capitalised and amortised along with the related fixed asset.

The Company has used the following useful lives to amortise its intangible assets:

Class of Assets	Useful Lives
Computer software	3 Years

ix. Impairment of Non-Financial assets:

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

x. Business Combinations:

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interests method.

Other business combinations, involving entities or businesses are accounted for using acquisition method.

xi. Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL);

Notes on the Standalone Financial Statement for the year ended 31st March 2021

- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments (other than investments in subsidiaries and joint ventures):

All equity investments within the scope of Ind AS 109,' Financial Instruments', are measured at fair value either through Statement of Profit and Loss or other comprehensive income. The Company makes an irrevocable election to present in OCI the subsequent changes in the fair value on an instrument-by-instrument basis. The classification is made on initial recognition.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI. Any gains or losses on de-recognition is recognized in the OCI and are not recycled to the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

De-recognition of Financial Assets:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent

Notes on the Standalone Financial Statement for the year ended 31st March 2021

it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Investment in Subsidiaries, Associates and Joint ventures:

The Company's investment in equity instruments of Subsidiaries are accounted for at cost as per Ind AS 27.

2. Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and transaction cost (if any) that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

b. Trade and other payables

These amounts represent liabilities for goods or services provided to the Company which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non-current liabilities and are measured at amortized cost unless designated as fair value through profit and loss at the inception.

c. Other financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial guarantee contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the company are initially measured at their fair values and are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

De-recognition of Financial Liabilities:

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit or Loss.

3. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a

Notes on the Standalone Financial Statement for the year ended 31st March 2021

currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4. Compound Financial Instruments:

A financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and is subsequently measured at amortized cost. The residual value is recognized as equity component of other financial instrument and is not re-measured after initial recognition.

The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognized directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortized using effective interest method.

xii. Impairment of Financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

xiii. Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level Input that is significant to the fair value measurement as a whole) at the end of each reporting period.

xiv. Revenue Recognition:

a. Revenue from Operations

Income from product delivery and services from banks in the capacity of Business Correspondent are recognized on accrual when the Company's performance obligation is satisfied.

Notes on the Standalone Financial Statement for the year ended 31st March 2021

b. Interest Income:

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the Statement of Profit and Loss. The expected cash flows are reassessed on a yearly basis and changes, if any, are accounted prospectively.

c. Other Operating Revenue:

Other Operating revenue comprises income from ancillary activities incidental to the operations of the company and are recognized when the right to receive the income is established as per the terms of the contract.

d. Dividend income:

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

xv. Leases:

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases". Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that conveys the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset; (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

As a lessor

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

xvi. Employee benefits

1. Short Term and other long term employee benefits:

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be

Notes on the Standalone Financial Statement for the year ended 31st March 2021

made by the Company in respect of services provided by employees up to the reporting date.

Compensated leave absences are encashed by employees at year end and no carry forward of leave is permitted as per the leave policy.

2. Post-Employment Benefits

a. Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Superannuation Fund. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

b. Defined Benefit Plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in OCI in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment.

xvii. Borrowing costs:

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs are charged to the Statement of Profit and Loss.

xviii. Provisions:

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

xix. Contingent liabilities and Contingent Assets:

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.

Contingent Assets are not recognized but are disclosed when the inflow of economic benefits are probable.

xx. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares (if any) are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and consolidation of shares if any.

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

xxi. Taxes on Income:

Tax expense comprises of current and deferred tax.

a. Current income tax:

Current income tax assets and liabilities are measured at

Notes on the Standalone Financial Statement for the year ended 31st March 2021

the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in other comprehensive income / equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred tax:

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

c. Minimum alternate tax:

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. The carrying amount of MAT is reviewed at each reporting date and asset will be written down to the extent the company's right of adjustment would lapse.

Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

xxii. 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, which are subject to an insignificant risk of changes in value.

Significant accounting Judgments, estimates and assumptions:

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgments that the management has made in the process of applying the Company's accounting policies:

a) Recognition of deferred tax assets:

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

b) Provision and contingent liability:

On an ongoing basis, the Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss contingencies that are considered

Notes on the Standalone Financial Statement for the year ended 31st March 2021

possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies, the likelihood of which is remote, are not disclosed in the financial statements.

c) Useful lives of depreciable assets:

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2020 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

d) Evaluation of indicators for impairment of assets:

The evaluation of applicable indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

e) Defined benefit obligation:

Management's estimate of the Defined Benefit obligation is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the obligation amount and the annual defined benefit expenses.

f) Fair value measurements:

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Notes on the Standalone Financial Statement for the year ended 31st March 2021

2. Property, plant and equipment

(₹ in Lakhs)

Particulars	Furniture & Fixtures	Office Equipments	Computers	Leasehold Improvements	Total	Capital work-in -progress
Gross Block						
As at 1st April, 2019	**281.11**	**121.23**	**191.74**	**88.88**	**682.96**	**-**
Additions during the year	145.81	73.94	112.39	46.76	378.90	-
Disposals during the year	-	4.34	-	-	4.34	-
As at 31st March, 2020	**426.92**	**190.83**	**304.13**	**135.64**	**1,057.52**	**-**
Additions during the year	48.86	31.55	128.96	-	209.37	46.76
Disposals during the year	-	-	0.23	-	0.23	-
Capitalised during the year	-	-	-	-	-	46.76
As at 31st March, 2021	**475.78**	**222.38**	**432.87**	**135.64**	**1,266.67**	**-**
Accumulated Depreciation						
As at 1st April, 2019	**48.24**	**49.06**	**109.97**	**2.54**	**209.81**	**-**
Depreciation charged for the year	62.64	70.68	57.62	16.94	207.86	-
Disposals during the year	-	0.29	-	-	0.29	-
As at 31st March, 2020	**110.88**	**119.45**	**167.59**	**19.48**	**417.38**	**-**
Depreciation charged for the year	50.00	31.94	68.11	16.90	166.94	-
Disposals during the year	-	-	-	-	-	-
As at 31st March, 2021	**160.88**	**151.39**	**235.70**	**36.38**	**584.32**	**-**
Net Carrying amount						
As at 31st March, 2020	316.04	71.38	136.54	116.16	640.14	-
As at 31st March, 2021	**314.90**	**70.99**	**197.17**	**99.26**	**682.68**	**-**

3. Intangible assets

(₹ in Lakhs)

Particulars	Computer Software	Total
Gross Block		
As at 1st April, 2019	**35.68**	**35.68**
Additions during the year	3.49	3.49
Disposals during the year	-	-
As at 31st March, 2020	**39.17**	**39.17**
Additions during the year	0.53	0.53
Disposals during the year	-	-
As at 31st March, 2021	**39.70**	**39.70**
Accumulated amortization		
As at 1st April, 2020	**22.68**	**22.68**
Amortization during the year	-	-
Disposals during the year	-	-
As at 31st March, 2020	**22.68**	**22.68**
Amortization during the year	8.49	8.49
Disposals during the year	-	-
As at 31st March, 2021	**31.17**	**31.17**
Net Carrying amount		
As at 31st March, 2020	**16.49**	**16.49**
As at 31st March, 2021	**8.53**	**8.53**

Notes on the Standalone Financial Statement for the year ended 31st March 2021

4. Investment in Subsidiary Company

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Investment carried at cost - Trade - Unquoted		
- Investments in equity instruments of subsidiary		
-5,99,870 Equity Shares of ₹10/- each fully paid up in Indian Association for Savings and Credit (31st March, 2020: 5,99,870 Equity shares) Extent of holding - 99.98% (31st March, 2020: 99.98%) (Refer Note 35)	180.50	180.50
Total	**180.50**	**180.50**
Aggregate amount of Unquoted Investments	**180.50**	**180.50**
Aggregate provision for diminution in value of investments	-	-

5A. Loans

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Unsecured, considered good	0.85	6.78
Loan to Employees		
Total	**0.85**	**6.78**

5B. Other financial assets - Non Current

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Unsecured, considered good	3,216.07	4,916.20
Margin Deposits Account with scheduled banks #		
Total	**3,216.07**	**4,916.20**

Represents margin deposit for providing financial services to Banks against First Loss Default Guarantee.

6. Deferred tax assets (net):

Particulars		As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Deferred tax liability			
- On Property Plant and Equipment and intangible assets		-	-
- On fair value adjustments for financial instruments		-	-
	A		-
Deferred tax assets		-	
- On Property Plant and Equipment and intangible assets		-	25.48
- On Provision for Gratuity		-	11.31
- On Provision for Expected credit loss		-	76.92
- On Others		-	8.99
	B	-	122.70
Net deferred tax (liability)/asset	**A - B**	**-**	**122.70**

Notes on the Standalone Financial Statement for the year ended 31st March 2021

Reconciliation of deferred tax:

Particulars	Deferred tax (liability)/assets as at 1st April, 2019	(Charge)/credit to Statement of Profit and Loss	(Charge)/credit to OCI	Deferred tax (liability)/assets as at 31st March, 2020
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Deferred Tax (Liability)/Asset				
- On PPE and intangible assets	6.30	19.18	-	25.48
- On fair value adjustments for financial instruments	(1.12)	1.12	-	-
- On Provision for Expected credit loss	152.54	(75.62)	-	76.92
- On Provision for Gratuity	11.89	7.15	(7.73)	11.31
- On Others		8.99		8.99
Total	**169.61**	**(39.18)**	**(7.73)**	**122.70**

Particulars	Deferred tax (liability)/assets as at 1st April, 2020	(Charge)/credit to Statement of Profit and Loss	(Charge)/credit to OCI	Deferred tax (liability)/assets as at 31st March, 2021
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Deferred Tax (Liability)/Asset				
- On PPE and intangible assets	25.48	(25.48)	-	-
- On fair value adjustments for financial instruments	-	-	-	-
- On Provision for Expected credit loss	76.92	(76.92)	-	-
- On Provision for Gratuity	11.31	0.49	(11.80)	-
- On Others	8.99	(8.99)	-	-
Total	**122.70**	**(110.90)**	**(11.80)**	**-**

7. Non Current Tax Assets (net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
	₹ in Lakhs	₹ in Lakhs
Advance Tax (net of provisions of ₹2,853.52 Lakhs, P Y ₹2,837.78 Lakhs)	815.79	100.40
Total	**815.79**	**100.40**

8. Non Current Tax Assets (net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
	₹ in Lakhs	₹ in Lakhs
Trade receivables/unbilled revenue, Unsecured		
Considered Good	1,921.21	1,793.50
Considered Doubtful	0.51	0.51
	1,921.72	**1,794.01**
Allowance for doubtful debts	0.51	0.51
	1,921.21	**1,793.50**

For receivables secured against borrowings, see Note 16.

Notes on the Standalone Financial Statement for the year ended 31st March 2021

9. Cash and cash equivalents

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Balance with Banks		
- In Current Account	2,252.20	588.74
- In Fixed Deposits having maturity of less than three months	-	-
Cash on Hand	-	25.00
Total	**2,252.20**	**613.74**

10. Bank balance other than cash and cash equivalents

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Earmarked balances with banks		
Margin Deposits Account with scheduled banks #	8,436.41	4,916.07
Total	**8,436.41**	**4,916.07**

Represents margin deposit for providing financial services to Banks against First Loss Default Guarantee.

11. Loans

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Unsecured, considered good		
Advances / Loans to employees	13.88	32.32
Total	**13.88**	**32.32**

12. Other financial assets

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Unsecured, considered good		
Rental deposits	397.51	357.10
Interest Accrued but not due	39.06	40.20
Other Receivables #	25.63	64.28
Total	**462.20**	**461.58**

Other receivable includes amount recoverable in cash equivalent.

13. Other current assets

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Prepaid expenses	182.04	123.70
Advance for expenses	43.68	9.12
Total	**225.72**	**132.82**

Notes on the Standalone Financial Statement for the year ended 31st March 2021

14. Equity share capital

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	In Numbers	₹ in Lakhs	In numbers	₹ in Lakhs
Authorised				
Equity Shares of ₹10/- each	66,00,000	660.00	66,00,000	660.00
Issued, Subscribed and Paid up				
Equity Shares of ₹10/- each	53,57,500	535.75	53,57,500	535.75
Total		**535.75**		**535.75**

a) Terms/Rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10 per share. Each equity shareholder is entitled to one vote per equity share.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

During the period ended 31st March,, 2021, the amount of dividend per share recognized as distribution to equity shareholders was ₹Nil.(31st March 2020: ₹ Nil)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Details of Shareholders holding more than 5% shares in the company:

Particulars	Equity Shares			
	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Ganesh Rao	26,75,050	49.93%	26,75,050	49.93%
Mrs. Meenakshi Rao	23,24,900	43.40%	23,24,900	43.40%
Mr. Jasbinder Singh Toor	3,57,550	6.67%	3,57,550	6.67%
Total	**53,57,500**	**100.00%**	**53,57,500**	**100.00%**

c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	Equity Shares			
	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shares outstanding at the beginning of the year	53,57,500	535.75	53,57,500	535.75
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	53,57,500	535.75	53,57,500	535.75

d) There are no shares which have been allotted for consideration other than cash, bonus shares and shares bought back in the 5 years immediately preceding the reporting date.

e) There are no shares reserved for issue under options and contracts / commitments for sale of shares/disinvestment.

Notes on the Standalone Financial Statement for the year ended 31st March 2021

15. Other Equity

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Securities Premium	**123.75**	**123.75**
Debenture Redemption Reserve		
Opening Balance	-	220.00
Add: Transferred from Retained earnings during the year	-	-
Less: Transferred to General Reserve on account of redemption of debentures during the year	-	(220.00)
Closing Balance	-	-
General Reserve		
Opening Balance	220.00	-
Add: Transferred from Debenture Redemption Reserve during the year	-	220.00
Closing Balance	220.00	220.00
Retained Earnings		
Opening Balance	8,372.77	4,744.03
Add: Profit for the year	(1,542.58)	3,605.74
Add: Transfer from Other Comprehensive Income	35.07	23.00
Closing Balance	6,865.27	8,372.77
Total	**7,209.02**	**8,716.52**

i) Securities Premium Reserve: Securities premium is received from the shareholders of the company on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

ii) General Reserve: General Reserves is created out of transfer made from debenture redemption reserve on redemption of debentures.

iii) Retained Earnings: Retained earnings are the balance (debit / credit) in the Statement of Profit and Loss.

16. Borrowings

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Non Current	Current	Non Current	Current
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Secured Loans				
Loans from Companies (Refer Note (i) below)	723.35	1,022.15	815.71	666.86
Loans from Financial Institutions (Refer Note (ii) below)		1,000.00	-	-
Unsecured Loans				
Loan from subsidiary company (Refer Note (iii) below) (Refer Note 40)	1,149.08	-	1,680.00	-
Term Loan from Bank (Refer Note (iv) below)	-	-	22.91	25.01
Loans from Financial Institutions (Refer Note (v) below)	-	300.00		
	1,872.43	**2,322.15**	**2,518.62**	**691.87**
- Unamortised portion of upfront processing fee	(24.72)	(21.32)	(10.03)	(11.30)
Total	**1,847.71**	**2,300.83**	**2,508.58**	**680.57**

Notes on the Standalone Financial Statement for the year ended 31st March 2021

The Company has not defaulted in the payment of interest and installments of the loans as at 31st March 2021.

(i) Secured Loans from Companies:

Loans from Jain Sons Finlease Limited:

Loan of ₹200 Lakhs (PY ₹200 Lakhs) and outstanding of ₹NIL (PY ₹12.14lakhs):
Terms of repayment: Last EMI payment paid during April 2020.

Loan of ₹200 Lakhs (PY ₹200 Lakhs) and outstanding of ₹NIL (PY ₹173.33 Lakhs):
Terms of repayment: 7 monthly installments of ₹9.0 lacs and the full and final (8th) installment of ₹11.90 Lakh is paid during November 2020

Term Loan from U.C Inclusive Credit Private Limited:

Tranche 1 of ₹300.00 Lakhs and outstanding of ₹ 169.44 Lakhs:
Terms of repayment: Term loan is repayable in 36 monthly installments of ₹10.77 Lakhs from the date of first disbursement. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in September 2022.

Tranche 2 of ₹200.00 Lakhs and outstanding of ₹123.79 Lakhs:
Terms of repayment: Term loan is repayable in 36 monthly installments of ₹7.18 Lakhs from the date of first disbursement. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in November 2022.

Tranche 3 of ₹350.00 Lakhs and outstanding of ₹312.61 Lakhs:
Terms of repayment: Term loan is repayable in 24 monthly installments from Jan-21 onwards of ₹17.39 Lakhs from the date of first disbursement. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in December 2022.

Both the above tranches are secured by hypothecation of receivable to the extent of 100% of the principal outstanding. The term loan is guaranteed by Mr. Ganesh Rao, Managing Director and CEO and Mrs. Meenakshi Rao, Director of the Company.

Loan from Caspian Impact Investment Private Limited:

Loan of ₹500 Lakhs and outstanding of ₹250 Lakhs:

Terms of repayment: Loan is repayable in 27 monthly installments of ₹16.67 Lakhs from the date of first disbursement. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in June 2022.

Loan is hypothecated by way of first ranking, pari-passu charge over current assets of the Company so as to provide a security cover of at least 1 time on the outstanding credit facility. The loan is guaranteed by Mr. Ganesh Rao, Managing Director and CEO of the Company.

Loan from Vivriti Capital Private Limited:

Loan of ₹500 Lakhs and outstanding of ₹NIL

Terms of repayment: Term loan is repayable in 24 monthly instalments of ₹24.84 Lakhs. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in March 2022.However, this loan was fully repaid during December 2020.

Loan of ₹1000 Lakhs and outstanding of ₹889.68 Lakhs:

Terms of repayment: During this year term loan of Rs 1000 Lakhs (each of Rs 500 Lacs) in two tranches during December 2020 and is repayable in 24 monthly instalments of ₹24.84 Lakhs of each loan. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in December 2022.

The loan is secured by first pari passu charge by way of hypothecation over all receivable of the Company, both present and future so as to provide a security cover of at least 1 time on the outstanding credit facility. The loan is guaranteed by Mr. Ganesh Rao, Managing Director and CEO of the Company.

Notes on the Standalone Financial Statement for the year ended 31st March 2021

(ii) Loan from Sammunathi Financial Intermediation Services Pvt Ltd.

Loan of ₹1000 Lakhs and outstanding of ₹1000 Lakhs:

Terms of repayment: Term loan is repayable in 6 instalments of ₹174.65 Lakhs. The interest is payable on monthly basis and the rate of interest is 16.25% per annum. Last EMI payment date is in 01st October 2021.

(iii) Unsecured Loans from Subsidiary of ₹1,149.08 Lakhs (PY ₹1,680 Lakhs):

The interest on the above loan is payable on yearly basis and payable on the last working day of the each Financial Year. Rate of interest is 17.5% per annum upto June 2020 and 10.0% per annum from July (previous year 17.5% per annum). This loan is repayable in March 2025.

(iv) Unsecured Term Loan from DCB Bank Limited:

Loan of ₹50 Lakhs and outstanding of ₹NIL Lakhs:

Terms of repayment: Term loan is repayable in 21 monthly installments of ₹2.08 Lakhs. The interest is payable on monthly basis and the rate of interest is 11.0% per annum. Last EMI payment date was in February 2022. However, the loan was fully repaid on 5th February, 2021.

(v) Loan from Concord Marketing & Financiers Pvt Ltd.

Loan of ₹300 Lakhs and outstanding of ₹300 Lakhs:

Terms of repayment: Term loan is repayable in 12 monthly instalments of ₹26.89 Lakhs. The interest is payable on monthly basis and the rate of interest is 16.25% per annum. Last EMI payment date is in March 2022.

17. Other financial liabilities

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Current maturities of long term debt (Refer Note 16)	2,300.83	680.57
Interest accrued but not due on borrowings	99.74	22.00
Overdraft facility from Union Bank of India	-	145.76
Accrued Employee Benefits	98.61	60.38
Disbursement in Pipeline	819.00	42.07
Other payables and accruals - dues to Micro and Small Enterprise (Refer Note 32)	11.88	11.37
Other payables and accruals - dues to other than Micro and Small Enterprise #	300.50	272.22
Commitment Charges Payable	2,459.00	-
Total	**6,089.57**	**1,234.38**

Other payables and accruals represents EMI collected, cancelled disbursements and accrued expenses.

18. Other current liabilities

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Statutory dues payable	581.46	503.73
Member insurance payable	219.19	82.18
Others (Refer Note 32)	2.03	1.55
Total	**802.69**	**587.46**

Notes on the Standalone Financial Statement for the year ended 31st March 2021

19. Provisions

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Provision for Gratuity (Refer Note 28)	67.54	44.94
Provision for Expected credit loss on EMI's	1,599.61	305.61
Provision for unspent CSR expenses	64.17	-
Total	**1,663.78**	**305.61**
Total	**1,731.32**	**350.55**

Movement in provision for expected credit loss on EMI's is as follows:

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Opening balance	305.61	528.92
Additions	5,200.00	341.30
Withdrawals/utilisation	3,906.00	564.61
Closing balance	**1,599.61**	**305.61**

Note:

As an authorised Business Correspondent of various banks/financial institutions, the Company is obligated to make good the loss suffered by banks/financial institutions on account of uncollected EMI's from the members of JLG/SHG to the extent of first 5% of loan portfolio outstanding as First Loss Default Guarantee. The above provision is based on Markov Chain Model. The withdrawals/utilisation represents the commitment charges paid to the respective banks/financial institutions on the basis of principles explained above.

20. Revenue from operations

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Revenue from Operations		
Commission Income	16,307.47	16,406.94
Other operating income		
Interest on Margin Deposits	725.11	570.11
Insurance and brokerage	66.80	166.06
Stationery fees	6.58	8.36
Total	**17,105.97**	**17,151.47**

21. Other income

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Professional income	145.68	102.30
Fair Valuation of Financial Liabilities	530.92	-
Miscellaneous Income	0.30	2.79
Total	**676.89**	**105.09**

Notes on the Standalone Financial Statement for the year ended 31st March 2021

22. Employee benefits expense

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Salaries, Wages and Bonus	9,719.73	8,155.27
Contribution to Provident Fund and Other Funds (Refer Note 28)	873.42	709.16
Gratuity (Refer Note 28)	94.48	101.42
Staff Welfare Expenses	101.98	149.22
Total	**10,789.61**	**9,115.07**

23. Finance Cost

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Interest on Loans and Debentures	482.50	508.94
Interest on Income Tax	-	5.99
Interest to MSME Parties (Refer Note 32)	0.48	1.55
Other Borrowing Cost	6.00	10.39
Total	**488.98**	**526.88**

24. Depreciation and amortization expense

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
- Depreciation on Property, Plant and Equipment (Refer Note 2)	166.94	208.78
- Amortization on Intangible Assets (Refer Note 3)	8.49	7.85
Total	**175.44**	**216.63**

Notes on the Standalone Financial Statement for the year ended 31st March 2021

25. Other expenses

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Travelling & Conveyance	79.49	179.59
Postage & Telephone	170.89	154.60
Insurance	204.33	178.84
Rent (Refer Note 33)	748.47	617.08
Electricity Charges	45.41	45.06
Printing and Stationery	233.57	194.74
Repair & Maintenance - Computer	17.44	16.30
Office Upkeep and Maintenance	244.01	198.91
Software Usage Charges	239.81	157.47
Professional & Legal Expenses	136.27	78.39
Directors sitting fees	11.00	11.75
Remuneration to auditors (Refer Note 25.1)	11.30	9.31
Rates & taxes	90.88	85.57
Loss on sale of Assets	-	3.20
Bank Charges	234.13	201.86
CSR Expenses (Refer Note 34)	84.56	60.25
Expected Credit Loss on Trade Receivable	-	0.51
Provision for expected credit loss On EMIs (Refer Note 19)	5,200.00	341.30
Miscellaneous Expenses	8.96	13.31
Total	**7,760.52**	**2,548.06**

25.1. Remuneration to auditors (excluding GST)

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
a. for Statutory Audit	11.00	9.00
b. for Taxation Matters	-	-
c. for Limited Review	-	-
d. for Reimbursement of Expenses	0.30	0.31
Total	**11.30**	**9.31**

Notes on the Standalone Financial Statement for the year ended 31st March 2021

26. Tax Expenses

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
A. Current Tax		
Current tax on profit for the year	-	1,222.00
Charge/ (Credit) in respect of current tax for earlier years	-	(17.00)
TOTAL (A)	**-**	**1,205.00**
B. Deferred Tax		
Origination and reversal of temporary differences	110.89	39.18
Charge in respect of deferred tax for earlier years	-	-
TOTAL (B)	**110.89**	**39.18**
Tax expense recognized in Statement of Profit and Loss - (A)+(B)	110.89	1,244.18
Tax expense/(income) recognized in Other Comprehensive Income (c)	11.80	7.73
Total Tax Expense	**122.69**	**1,251.92**

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in Statement of Profit and Loss is as follows:

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Profit/(loss) before tax	(1,431.68)	4,849.92
Enacted tax rate	25.168%	25.168%
Expected income tax expense at statutory tax rate	(360.33)	1,220.63
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Expenses not deductible in determining taxable profits	429.37	96.35
Tax allowances and concession	-	(144.33)
Charge/ (Credit) in respect of current tax for earlier years	-	(17.00)
Others	13.62	96.27
Tax expense for the year	**82.67**	**1,251.92**

Consequent to reconciliation items shown above, the effective tax rate is (8.57)% (FY 2019-20: 25.81%)

Note: The above workings are based on provisional computation of tax expenses and are subject to finalisation of tax audit/ filing of tax returns in due course.

27. Earnings per share

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Profit/(Loss) after tax	(1,542.58)	3,605.74
Weighted Average no. of equity shares outstanding during the year for basic earnings	53,57,500	53,57,500
Weighted Average no. of equity shares outstanding during the year for diluted earnings	53,57,500	53,57,500
Basic Earnings Per Share (₹)	(28.79)	67.30
Diluted Earnings Per Share (₹)	(28.79)	67.30

Notes on the Standalone Financial Statement for the year ended 31st March 2021

28. Employee benefits

The details of various employee benefits provided to employees are as under:

A. Defined contribution plan:

The company also contributes on a defined contribution basis to employees' provident fund. Contributions are made to the provident fund in India for employees as per the requirement of regulations. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ in Lakhs	₹ in Lakhs
Employer's Contribution to Provident Fund	739.94	592.87
Employer's Contribution to ESIC	131.66	114.68
Employer's Contribution to Labour welfare	1.82	1.62
Total	**873.42**	**709.16**

B. Defined benifit plan:

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation using the projected unit credit method as at the end of each financial year based on which the Company contributes the ascertained liability to Life Insurance Corporation of India with whom the plan assets are maintained.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, salary escalation risk and longevity risk.

Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary escalation risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, higher than expected increases in salary will increase the defined benefit obligation.

Longevity risk: The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Principal actuarial assumptions:

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	₹ in Lakhs	₹ in Lakhs
Discount Rate *	7.18%	6.46%
Expected Return on Assets	7.18%	6.46%
Salary Escalation #	0% for 3 years and 4% thereafter	0% for 3 years and 4% thereafter
Attrition Rate	3.00%	30.00%
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

* The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

Notes on the Standalone Financial Statement for the year ended 31st March 2021

The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amount recognized in Statement of Profit and Loss for the year:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Total Service Cost	92.15	102.78
Net Interest Cost	2.33	(1.36)
Expenses recognized in the Statement of Profit and Loss	**94.48**	**101.42**

Recognized in Other Comprehensive Income (OCI) for the year:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Return on plan assets (excluding amounts included in net interest expense)	16.01	6.23
Actuarial (gains)/losses arising from changes in financial assumptions in DBO	(31.55)	(23.55)
Actuarial (gains)/losses arising from experience adjustments on DBO	31.41	(13.93)
Actuarial (gains)/losses due to demographic assumption changes in DBO	(62.74)	0.52
Amount recognized in OCI for the current year	**(46.87)**	**(30.73)**

Change in present value of Defined Benefit Obligation (DBO):

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Present value of obligations as at the beginning of the year	218.25	152.52
Current Service Cost	92.15	102.78
Interest Cost	14.99	9.54
Actuarial (gain)/loss on plan obligation	(62.89)	(36.96)
Benefits paid	(18.95)	(9.63)
Present value of obligations as at the end of the year	**243.55**	**218.25**

Change in fair value of plan assets:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fair value of plan assets as at the beginning of the year	173.32	111.29
Expected Return on plan assets	12.66	10.90
Contributions	25.00	66.99
Benefits paid	(18.95)	(9.63)
Actuarial gain/(loss) on plan assets	(16.01)	(6.23)
Fair value of plan assets as at the end of the year	**176.01**	**173.32**

Net Asset/Liability recognized in Balance Sheet:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Present value of obligations	243.55	218.25
Fair Value of Plan Assets	176.01	173.32
Amount recognized	**67.54**	**44.94**

Notes on the Standalone Financial Statement for the year ended 31st March 2021

Maturity profile of Present Value of defined benefit obligation: **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Within the next 12 months	7.11	27.54
Between 2 and 5 years	29.17	50.76
Between 6 and 10 years	20.99	12.82
Beyond 10 years	186.28	127.13
Total	**243.55**	**218.25**
Expected contributions to the plan for the next annual reporting period	**175.74**	**220.86**
The average duration of the defined benefit plan obligation at the end of the reporting period	**16.54 years**	**6.28 years**

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant. (₹ in Lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate by 1%	214.74	278.75	208.59	228.90
Salary Escalation rate by 1%	279.19	214.15	227.63	209.63
Attrition rate by 1%	262.08	221.26	216.26	220.14
Mortality rate by 10%	243.99	-	218.32	-

29. Contingent Liabilities: **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
First Loss Default Guarantee	(to the extent of Margin Deposits)	

30. The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant impact and volatility in the global and Indian financial markets and slowdown in the economic activities. The Company has made a provision of ₹ 5,200.00 Lakhs as per the adopted ECL model for impairment on loan portfolio handled as on March 31, 2021 as computed by an independent valuer. The management has evaluated the impact of COVID19 on its assets comprising of property, plant and equipment, investments, trade receivables and other financial assets, and has concluded that there is no significant impact on the carrying amount of these assets besides impairment, if any, and are recoverable as at the balance sheet date. The impact of COVID-19 pandemic is dependent on future developments which is highly uncertain, therefore the financial impact in subsequent periods may be different than currently assessed.

31. The balances in trade receivable are subject to confirmation and reconciliation, if any. However in the opinion of the Management, balances in trade receivable account are recoverable at least to the extent stated in the balance sheet.

32. The information in relation to dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company, which has been relied upon by the auditors.

Notes on the Standalone Financial Statement for the year ended 31st March 2021

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Principal amount due to suppliers under MSMED Act, 2006	11.88	11.37
b) Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	2.03	0.22
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	64.31	97.94
d) Interest paid to suppliers under MSMED Act (Section 16)	-	-
e) Interest due and payable towards suppliers under MSMED Act for payments already made	-	1.33
f) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (including interest mentioned in (e) above)	2.03	1.55

33. Assets taken on operating lease:

The Company, as a Lessee, has entered into various cancellable agreements for lease of buildings for its business ranging from one year to five years in the nature of operating lease with an option to renew the lease.

During the year, ₹748.47 Lakhs (P.Y. ₹617.08 Lakhs) has been debited to Statement of Profit and Loss.

(i) There are no restriction covenants in the lease agreement.

(ii) The Company does not have any contingent lease rental expenses.

(iii) The above future minimum lease rentals includes normal escalation rate based on agreements.

34. CSR Expenditure:

(₹ in Lakhs)

Particulars	31st March, 2021	31st March, 2020
a. Gross amount required to be spent by the Company during the year	84.56	58.14
b. Amount spent during the year on:		
(i) Construction/Acquisition of any asset	-	-
(ii) On purposes other than (i) above	84.56	60.25

35. Particulars of Loans, Guarantees and Investment under section 186 of the Companies Act, 2013:

(₹ in Lakhs)

Name of the company	31st March, 2021	31st March, 2020
Investment made in Indian Association for Savings and Credit	180.50	180.50

Notes on the Standalone Financial Statement for the year ended 31st March 2021

36. Fair value measurements:

i. Financial instruments by category & hierarchy:

The carrying value & fair value of financial instruments by categories & hierarchy as at 31st March, 2021 were as follows:

(₹ in Lakhs)

Particulars	Notes	Carrying Amount				Fair Value			
		FVTOCI	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Trade Receivables	8	-	-	1,921.21	1,921.21	-	-	-	-
Cash and Cash equivalents	9	-	-	2,252.20	2,252.20	-	-	-	-
Other bank balances	10	-	-	8,436.41	8,436.41	-	-	-	-
Loans	5A, 11	-	-	14.73	14.73	-	-	-	-
Other financial assets	5B, 12	-	-	3,678.27	3,678.27	-	-	-	-
Financial Liabilities									
Borrowings	16	-	-	4,148.54	4,148.54	-	-	-	-
Other financial liabilities	17	-	-	3,788.74	3,788.74	-	-	-	-

The carrying value & fair value of financial instruments by categories & hierarchy as at 31st March, 2020 were as follows:

(₹ in Lakhs)

Particulars	Notes	Carrying Amount				Fair Value			
		FVTOCI	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Trade Receivables	8	-	-	1,793.50	1,793.50	-	-	-	-
Cash and Cash equivalents	9	-	-	613.74	613.74	-	-	-	-
Other bank balances	10	-	-	4,916.07	4,916.07	-	-	-	-
Loans	5A, 11	-	-	39.10	39.10	-	-	-	-
Other financial assets	5B, 12	-	-	5,377.78	5,377.78	-	-	-	-
Financial Liabilities									
Borrowings	16	-	-	3,189.16	3,189.16				
Other financial liabilities	17	-	-	553.81	553.81	-	-	-	-

The Company has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings and other current financial liabilities are a reasonable approximation of their fair values.

ii. Valuation technique used to determine fair value:

The fair value of the financial assets and liabilities are at the amount that would be received to sell an asset and paid to transfer a

Notes on the Standalone Financial Statement for the year ended 31st March 2021

liability in an orderly transaction between market participants at the measurement date.

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings and other current financial liabilities are a reasonable approximation of their fair values.

The estimated fair value amounts as at 31st March, 2021 have been measured as at that date. As such, the fair values of these financial instruments subsequent to reporting date may be different than the amounts reported at each year-end.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

37. Financial Risk Management:

The Company's businesses are subject to several risks and uncertainties including financial risks.

The Company's activities expose it to credit risk, liquidity risk and market risk - interest rate risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis, Credit ratings
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts
Market risk – Interest rate risk	Long-term borrowings at variable rates	Cash flow forecasting, Sensitivity analysis.

a. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The company's credit risk generally arises from Cash and cash equivalents, trade receivables, and other financial assets.

Credit risk management

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Assets Group	Description of category	Particulars	Provision for expected credit loss
Low credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets.	12 month expected credit loss/life time expected credit loss.
Moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong.	Nil	12 month expected credit loss/life time expected credit loss.
High credit risk	Assets where there is a high probability of default.	Nil	12 month expected credit loss/life time expected credit loss/fully provided for.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

Notes on the Standalone Financial Statement for the year ended 31st March 2021

Credit rating	Particulars	As at 31st March, 2021	As at 31st March, 2020
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets (Refundable deposits).	16,302.82	12,740.18
Moderate credit risk	Nil	-	-
High credit risk	Nil	-	-

Basis of arriving at ECL

As an authorised Business Correspondent of various banks/financial institutions, the Company is obligated to make good the loss suffered by banks/financial institutions on account of uncollected EMI's from the members of JLG/SHG to the extent of first 5% of loan portfolio outstanding as First Loss Default Guarantee. The provision is based on Markov Chain Model. The utilisation/withdrawal represents the commitment charges paid to the respective banks/financial institutions on the basis of principles explained above.

Reconciliation of loss allowance for first loss default guarantee for EMIs: **(₹ in Lakhs)**

Name of the company	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	305.61	528.92
Additions during the year	5,200.00	341.30
Amounts withdrawn/utilisation during the year	(3,906.00)	(564.61)
Balance at the end of the year	**1,599.61**	**305.61**

b. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the business, the Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of Financial Liabilities as at 31st March, 2021 are as follows: **(₹ in Lakhs)**

	Contractual cash Flows				
Particulars	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**	**Carrying Amount**
Borrowings	2,300.83	698.63	1,149.08	4,148.54	4,148.54
Other Financial liabilities	3,788.74	-	-	3,788.74	3,788.74
Total	**6,089.57**	**698.63**	**1,149.08**	**7,937.28**	**7,937.28**

Maturities of Financial Liabilities as at 31st March, 2020 are as follows:

	Contractual cash Flows				
Particulars	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**	**Carrying Amount**
Borrowings	680.57	2,508.58	-	3,189.15	3,189.15
Other Financial liabilities	553.81	-	-	553.81	553.81
Total	**6,089.57**	**2,508.58**	**-**	**3,742.96**	**3,742.96**

c. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Company's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

Notes on the Standalone Financial Statement for the year ended 31st March 2021

Interest rate Risks

The Company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The borrowings are fixed rate borrowings and are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

The Company does not have any variable rate borrowing which is subject to interest rate risk. **(₹ in lakhs)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed Rate Borrowings	4,184.54	3,189.16

38. Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from the previous year.

The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements.

The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt).

Net debt are non-current and current debts as reduced by cash and cash equivalents and current investments. Equity comprises all components including other comprehensive income.

The following table summarizes the gearing ratio of the Company: **(₹ in lakhs)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current Borrowings (Refer Note 16)	1,847.71	2,508.58
Current Maturities of Long term Debt (Refer Note 17)	2,300.83	680.57
Total Borrowings (a)	**4,184.54**	**3,189.16**
Cash and Cash equivalents (Refer Note 9)	2,252.20	613.74
Total Cash (b)	**2,252.20**	**613.74**
Net Debt (c) = (a)-(b)	**1,896.34**	**2,575.42**
Share Capital (Refer Note 14)	535.75	535.75
Other Equity (Refer Note 15)	7,209.02	8,716.52
Total Equity (d)	**7,744.77**	**9,252.27**
Total Capital (e) = (c)+(d)	**9,641.11**	**11,827.69**
Gearing Ratio = (c)/(e)	**0.20**	**0.22**

Notes on the Standalone Financial Statement for the year ended 31st March 2021

39. Segment Information:

The Company acts as an authorised Business Correspondent for banks and financial institutions, which is the only reportable operating segment. Further there are no reportable geographical segments, since all business activities are carried in India. Hence, separate disclosure requirements of Ind AS -108 " Segment Reporting" are not applicable.

40. Related Party Disclosures:

(i) List of related parties with whom transactions have taken place during the year ended 31st March, 2021 and relationship:

(a) Holding Company: - Nil

(b) Subsidiary Company: - Indian Association for Savings and Credit

(c) Key Management Personnel (KMP) & Relative:

- Mr. Ganesh Rao - Mr. Mohan Vasant Tanksale
- Mrs. Meenakshi Rao - Mr. Ambadas Mukundrao Pedgaonkar
- Mr. K. R. Kamath - Mr. R. Loganathan
- Mrs. Mona Thakkar - Ms. Krutika Ganesh Rao (Relative of Mr. Ganesh Rao)

(d) Others: (Enterprise over which key management personnel are able to exercise significant influence) - None

Nature of Transactions	Subsidiary Company		Key Management Personnel (KMP) & Relative	
	2020-21	2019-20	2020-21	2019-20
Transactions during the period:				
Salary paid	-	-	166.94	164.91
Salary paid to Relative of KMP			3.35	3.28
Directors sitting fees	-	-	11.00	11.75
Professional charges paid	-	-	12.00	12.00
Loan availed by Company during the year which is guaranteed by Director	-	-	2,650.00	1,500.00
Interest paid	208.66	313.60	-	-
Reimbursement of rent (made by IASC on NOCPL's behalf)	-	28.17	-	-
Reimbursement of software usage charges (made by IASC on NOCPL's behalf)	-	12.51	-	-
Loan received during the year	-	-	-	-
Loan repaid to KMP	-	-	-	-
Loan given to KMP	-	-	-	6.20
Loan repaid by KMP	-	-	0.20	16.00
Purchase of PPE and Intangible Assets	-	-	-	-
Outstanding balances as at the year end:				
Interest Payable	78.35	9.25	-	-
Loan Payable	1,149.08	1,680.00	-	-
Loan Receivable from KMP			-	0.20
Outstanding amount of loan guaranteed by Director	-	-	3,045.50	1,482.57

Note: Salary paid does not include amount in respect of gratuity as the same is not determinable separately.

Notes on the Standalone Financial Statement for the year ended 31st March 2021

41. Reconciliation of the opening and closing balances of liabilities arising from Financing activities:

(₹ in lakhs)

Particulars	Balance as on 31st March, 2021	Balance as on 1st April, 2020	Fair value / Ind AS adjustments	Net Cash flows- inflow/(Outflow)
Long-term borrowings (Net)	**4,148.54**	3,189.16	-	959.38

Particulars	Balance as on 31st March, 2020	Balance as on 1st April, 2019	Fair value / Ind AS adjustments	Net Cash flows- inflow/(Outflow)
Long-term borrowings (Net)	3,189.16	2,634.04	-	555.12

The net cash flows - inflows/(outflows) are included in the Cash Flow Statement as Cash Flow from Financing Activities.

42. The Code on Social Security, 2020 ('Code') received the Indian Parliament approval and Presidential Asset in September 2020. The Code once made effective would impact the employee benefits during employment as well as post employment benefits. The implementation of the Code has been deferred by the Central Government on March 30, 2021 and the date from which the code will be effective is yet to be notified. The impact assessment of the Code will be done by the Company once the same is made is effective.

43. Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

44. In view of operating losses and on prudence basis, no deferred tax assets have been recognised

45. Previous years figures have been regrouped, reclassified and rearranged wherever necessary to conform to the current years classification.

46. Figures have been rounded off to the nearest rupee.

In terms of our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048
Sd/-
Snehal Shah
Partner
Membership No. 048539

Place: Mumbai
Date: 08th May, 2021

For and on behalf of the Board of Directors

Sd/-
K.R. Kamath
Chairman
DIN: 01715073

Sd/-
Ganesh Ramanand Rao
Managing Director & CEO
DIN: 02302989

Sd/-
R. Loganathan
Chief Financial Officer

Sd/-
Mona Jeetendra Thakkar
Company Secretary
ACS M. No: A43836

Place : Mumbai
Date : 08th May, 2021

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of New Opportunity Consultancy Private Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of New Opportunity Consultancy Private Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the consolidated state of affairs of the Group as at March 31, 2021, their consolidated loss (including other comprehensive income), their consolidated changes in equity and their consolidated 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group 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 consolidated Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind AS financial statements..

Emphasis of Matter

We draw attention to Note No. 35 to the accompanying consolidated Ind AS financial statements which explains the uncertainties and the management's evaluation of the financial impact on the Group due to lockdown and other restrictions imposed by the local government(s) on account of COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Director's Report, but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the 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.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated Ind AS 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

Other Matter

Due to severe health hazard associated with COVID-19 and the consequential lockdown and other restrictions imposed by the local government(s) , it was neither practicable for us to physically verify certain documents pertaining to revenue and expense transactions of the Group nor the management could facilitate scan copies of the same due to its voluminous nature. Therefore, we have performed and relied on other related alternative audit procedures to obtain comfort over the completeness and accuracy of these transactions..

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, based on our audit we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. The matter described in the Emphasis of Matter section above, in our opinion, may have an adverse effect on the functioning of the Group;

f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 and taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in

India is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate report in **"Annexure";**

h. 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:

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable;

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

(i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 34 to the consolidated Ind AS financial statements;

(ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts; and

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, incorporated in India.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Sd/-

Snehal Shah

Partner

Membership No. 048539

UDIN: 21048539AAAABF2863

Place: Mumbai

Date : May 08, 2021

ANNEXURE To The Independent Auditor's Report

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of New Opportunity Consultancy Private Limited on the consolidated Ind AS financial statements for the year ended March 31, 2021]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of New Opportunity Consultancy Private Limited ("Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of Holding Company.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company has in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sd/-
Snehal Shah
Partner
Membership No. 048539
UDIN: 21048539AAAABF2863

Place: Mumbai
Date : May 08, 2021

Consolidated **Balance Sheet** as at 31st March, 2021

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	695.11	663.58
(b) Right of Use Assets	3	44.20	-
(c) Intangible assets	4	8.66	16.50
(d) Financial assets			
- Investments	5	76.03	96.64
- Loans	6	0.85	6.78
- Other financial assets	7	3,216.07	4,916.20
(e) Deferred tax assets (net)	8	-	163.51
(f) Non Current Tax Assets (net)	9	865.30	155.37
(g) Other non-current assets	10	4.50	-
Total non-current assets		**4,910.72**	**6,018.58**
Current assets			
(a) Financial assets			
(i) Trade receivables	11	1,921.21	1,793.50
(ii) Cash and cash equivalents	12	2,270.26	639.79
(iii) Bank balances other than (ii) above	13	8,436.41	4,916.07
(iv) Loans	6	118.88	137.32
(v) Other	14	476.33	474.31
(b) Other current assets	15	244.57	150.59
Total current assets		**13,467.65**	**8,111.58**
Total Assets		**18,378.37**	**14,130.15**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	16	535.75	535.75
(b) Other Equity	17	8,529.09	10,538.45
Equity Attributable to owners of the Company		**9,064.84**	**11,074.20**
Non-Controlling interests		0.33	0.44
Total Equity		**9,065.17**	**11,074.64**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
- Borrowings	18	700.38	847.61
(b) Deferred tax liabilities (net)	8	-	-
(b) Provisions		-	-
- Other financial liabilities	19	38.95	-
Total Non-current Liabilities		**739.33**	**847.61**
Current Liabilities			
(a) Financial liabilities			
- Other financial liabilities	20	6,039.29	1,261.68
(b) Other current liabilities	21	803.27	588.23
(c) Provisions	22	1,731.32	350.55
(d) Current Tax Liabilities (net)	23	-	7.46
Total Current Liabilities		**8,573.88**	**2,207.92**
Total Liabilities		**9,313.21**	**3,055.53**
Total Equity and Liabilities		**18,378.37**	**14,130.17**

The accompanying Notes 1 to 53 are an integral part of the consolidated financial statements.
In terms of our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Sd/-
Snehal Shah
Partner
Membership No. 048539

Place: Mumbai
Date: 08th May, 2021

For and on behalf of the Board of Directors

Sd/-
K.R. Kamath
Chairman
DIN: 01715073

Sd/-
Ganesh Ramanand Rao
Managing Director & CEO
DIN: 02302989

Sd/-
R. Loganathan
Chief Financial Officer

Sd/-
Mona Jeetendra Thakkar
Company Secretary
ACS M. No: A43836

Place : Mumbai
Date : 08th May, 2021

Consolidated Statements of **Profit & Loss** for the year ended 31st March, 2021

(₹ in Lakhs)

	Particulars	Note	Year ended 31st March, 2021	Year ended 31st March, 2020
I.	Revenue from operations	24	17,124.80	17,174.31
II.	Other Income	25	691.58	105.10
III.	**Total Income (I + II)**		**17,816.38**	**17,279.42**
IV.	**EXPENSES:**			
	Employee benefits expense	26	10,799.49	9,133.90
	Finance costs	27	286.17	219.40
	Depreciation and amortization expenses	28	183.16	224.37
	Other expenses	29	8,384.97	2,773.80
	Total expenses (IV)		**19,653.78**	**12,351.47**
V	**Profit / (Loss) before tax (III - IV)**		**(1,837.40)**	**4,927.94**
VI	**Tax Expense**	30		
	(1) Current Tax		55.91	1,263.00
	(2) Deferred Tax	8	151.56	(1.71)
	(3) Taxation for earlier years		-	17.30
VII	**Profit / (Loss) for the year (V - VI)**		**(2,044.88)**	**3,649.35**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurement of post employment benefit obligations		47.42	31.07
	- Income tax relating to these items that will not be reclassified to profit or loss		(11.94)	(7.82)
	Total other comprehensive income		**35.48**	**23.25**
IX	**Total comprehensive income (VII+VIII)**		**(2,009.39)**	**3,672.60**
X	**Profit / (Loss) for the year attributable to**			
	- Owners of the Company		(2,044.85)	3,649.34
	- Non-controlling interests		(0.11)	0.01
XI	**Other Comprehensive Income for the year attributable to**			-
	- Owners of the Company		35.48	23.25
	- Non-controlling interests		0.00	0.00
XII	**Total Comprehensive Income for the year attributable to**			
	- Owners of the Company		(2,009.36)	3,672.59
	- Non-controlling interests		(0.11)	0.01
XIII	**Earnings per equity share (Face value ₹10 each):**	31		
	- Basic & Diluted		(38.17)	68.12

The accompanying Notes 1 to 53 are an integral part of the consolidated financial statements.
In terms of our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Sd/-
Snehal Shah
Partner
Membership No. 048539

Place: Mumbai
Date: 08th May, 2021

For and on behalf of the Board of Directors

Sd/-
K.R. Kamath
Chairman
DIN: 01715073

Sd/-
Ganesh Ramanand Rao
Managing Director & CEO
DIN: 02302989

Sd/-
R. Loganathan
Chief Financial Officer

Sd/-
Mona Jeetendra Thakkar
Company Secretary
ACS M. No: A43836

Place : Mumbai
Date : 08th May, 2021

Consolidated Statement of Changes in Equity for the year ended 31st March, 2021

A. Equity share capital

Particulars	(₹ in Lakhs)
Balance as at 1st April 2019	535.75
Shares issued during the year	-
Balance as at 31st March 2020	535.75
Shares issued during the year	-
Balance as at 31st March 2021	535.75

B. Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus						
	Capital Reserve	Securities Premium Securities Premium	Debenture Redemption Reserve Redemption Reserve	General Reserve	Retained Earnings	Non-controlling interests	Total
Balance as at 1st April, 2019	**369.21**	**123.75**	**220.00**	**-**	**6,152.90**	**0.43**	**6,866.29**
Profit for the year 2019-20	-	-	-	-	3,649.34	0.01	3,649.35
Transfer to other reserves	-	-	-	-	-	-	-
Other Comprehensive income (net of tax)	-	-	-	-	23.25	0.00	23.25
Balance as at 31st March, 2020	**369.21**	**123.75**	**220.00**	**-**	**9,825.49**	**0.44**	**10,538.89**
Profit for the year 2020-21	-	-	-	-	(2,044.85)	(0.11)	(2,044.96)
Transfer to other reserves	-	-	(220.00)	220.00	-		-
Other Comprehensive income (net of tax)	-	-	-	-	35.48	0.00	35.48
Balance as at 31st March, 2021	**369.21**	**123.75**	**-**	**220.00**	**7,816.13**	**0.33**	**8,529.42**

The accompanying Notes 1 to 53 are an integral part of the consolidated financial statements.
In terms of our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Sd/-
Snehal Shah
Partner
Membership No. 048539

Place: Mumbai
Date: 08th May, 2021

For and on behalf of the Board of Directors

Sd/-
K.R. Kamath
Chairman
DIN: 01715073

Sd/-
Ganesh Ramanand Rao
Managing Director & CEO
DIN: 02302989

Sd/-
R. Loganathan
Chief Financial Officer

Sd/-
Mona Jeetendra Thakkar
Company Secretary
ACS M. No: A43836

Place : Mumbai
Date : 08th May, 2021

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

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
A. Cash flows from operating activities				
Profit before tax		(1,837.40)		4,927.94
Adjustments for:				
Depreciation and amortization expenses	183.16		224.37	
Finance Costs	286.17		219.40	
Assets written off (Net)	-		-	
Loss on sale of PPE	6.74		3.20	
Loss on Sale of Investments	-		-	
Loss on fair value changes of equity instruments	55.66		3.36	
Provision for expected credit loss on Trade Receivable	-		0.51	
Provision for expected credit loss on EMI & Service Tax	5,200.00	5,731.73	494.64	945.48
Operating profit before working capital changes		3,894.33		5,873.42
- Increase in trade receivables	(127.71)		(291.60)	
- Increase in Non-current and current financial assets	(1,413.74)		(3,558.24)	
- Increase in Other non-current and current assets	(98.35)		(29.50)	
- Decrease in non-current and current financial liabilities	3,332.15		(721.65)	
- Decrease in other non-current and current liabilities	253.98		(73.42)	
- Increase/(Decrease) in other non-current and current provisions	(3,772.35)	(1,826.02)	(530.19)	(5,204.60)
Cash generated from / (used in) operations		2,068.31		668.82
Income taxes paid (Net of Refunds)		(734.67)		(1,508.33)
Net cash generated from/ (used in) operating activities - (A)		**1,333.64**		**(839.51)**
B. Cash flows from investing activities				
Purchase of Property, Plant & Equipment and Intangible Assets		(300.52)		(317.57)
Investment in companies (New Investment Fy-20-21)		(35.04)		
Loss on fair value changes on Investments		(55.66)		
Proceeds from sale of Property, Plant & Equipment and Intangible Assets		(6.74)		0.85
(Purchase)/Sale of Investments		-		-
Net cash used in investing activities - (B)		**(397.96)**		**(316.72)**
C. Cash flow from Financing activities				
Proceeds from non-current borrowings (Refer Note No.48)		2,739.37		1,532.56
Repayment of non-current borrowings (Refer Note No.48)		(1,811.67)		(1,008.22)
Overdraft facility from Bank		-		145.76
Interest paid		(232.29)		(263.75)
Net cash used in financing activities - (C)		**695.40**		**406.35**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		1,630.48		(749.88)
Cash and cash equivalents at the beginning of the year		639.79		1,389.67
Cash and cash equivalents at the end of the year		**2,270.27**		**639.79**

Contd..

Consolidated Statement of Cash Flows (Contd..) for the year ended 31st March, 2021

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Components of Cash & Cash Equivalents as at the year end (Refer Note 12)				
Cash		-		25.00
Balances With Bank:				
in current accounts		2,270.27		614.79
in fixed deposit accounts with maturity less than 3 months		-		-
		2,270.27		**639.79**

The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7- Statement of Cash Flows.
The accompanying Notes 1 to 53 are an integral part of the consolidated financial statements.
In terms of our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Sd/-
Snehal Shah
Partner
Membership No. 048539

Place: Maumbai
Date: 08th May, 2021

For and on behalf of the Board of Directors

Sd/-
K.R. Kamath
Chairman
DIN: 01715073

Sd/-
Ganesh Ramanand Rao
Managing Director & CEO
DIN: 02302989

Sd/-
R. Loganathan
Chief Financial Officer

Sd/-
Mona Jeetendra Thakkar
Company Secretary
ACS M. No: A43836

Place : Mumbai
Date : 08th May, 2021

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

1. Significant Accounting Policies

i. Corporate Information:

New Opportunity Consultancy Private Limited ("the Company" or "the parent") is a company incorporated under the Companies Act, 2013. The Company is an authorised Business Correspondent (BC) of YES Bank Ltd., RBL Bank Ltd., Reliance Commercial Finance Ltd., DCB Bank Ltd., IDBI Bank Ltd., Utkarsh Small Finance Bank Ltd., Axis Bank Ltd., Kotak Mahindra Bank Ltd., Fincare Small Finance Bank, Equitas Small Finance bank, Northern Arc, Fed Fin Financial Services Ltd. and Suryoday Small Finance Bank. The Parent and its subsidiary (together referred to as "the Group") are engaged in the business of providing micro loans under Self Help Group (SHG)/Joint Liability Group (JLG) model and other related financial services on behalf of the banks. The Group manages a portfolio of ₹2,23,642.76 Lakhs (PY ₹1,93,487.32 Lakhs) as on the balance sheet date with regard to the services as a Business Correspondent.

ii. General Information and Statement of Compliance with Ind AS:

These consolidated financial statements ('Consolidated Financial Statements') of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented. The financial statements for the year ended 31st March 2021 were authorized and approved for issue by the Board of Directors on 8th May, 2021.

Basis of Preparation:

The Consolidated Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

The Consolidated Financial Statements have been prepared & presented on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated Financial Statements is determined on the basis stated above, except for Accounting for Leases that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use under Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

iii. Use of Estimates:

The preparation of Consolidated Financial Statements is in conformity with generally accepted accounting principles which require the management of the Group to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed separately under the heading "Significant accounting Judgements, estimates and assumption".

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

iv. Current versus non-current classification

The entity presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current, when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current, when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The entity classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

v. Principles of Consolidation:

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiary as at 31st March 2021. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Company's voting rights and potential voting rights

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

vi. Foreign currency transactions

Functional and presentation currency

The Group's consolidated financial statements are presented in Indian Rupee in Lakhs which is also the functional and presentation currency of the parent company. All amounts have been rounded-off to the nearest rupee in thousands.

(a) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

vii. Property, Plant and Equipment:

Property, Plant and Equipment (PPE), being fixed assets are tangible items that are held for use in supply of services or for administrative purposes and are expected to be used for more than a period of twelve months. They are measured at cost less accumulated depreciation and any accumulated impairment. Cost comprises of the purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management.

Depreciation on Property, Plant and Equipment (PPE) are provided under straight line method as per the useful lives and manner prescribed under Schedule II to the Companies Act, 2013, except leasehold buildings under operating lease arrangements, which are amortised over the leasehold period. The management believes that the estimates useful life as per the provisions of Schedule II to the Companies Act, 2013 would reflect approximation of the period over which the assets are likely to be used.

Where the cost of a part of the PPE is significant to the total cost of the PPE and if that part of the PPE has a different useful life than the main PPE, the useful life of that part is determined separately for depreciation.

The Group has used the following useful lives to provide depreciation on its Property, Plant and Equipment:

Class of Assets	Useful Lives
Furniture and fixtures	10 years
Office equipments	5 years
Vehicles	8 years
Computers	3 years

Improvements to Leasehold Buildings are amortized as depreciation over the lease period, which is considered as the estimated useful life by the management.

The depreciation method applied to an asset is reviewed at each financial year-end and if there has been a significant change in the expected pattern of consumption of future economic benefits embodied in the asset, depreciation is charged prospectively to reflect the changed pattern.

The carrying amount of an item of PPE is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

Property, Plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognised.

viii. Intangible assets and amortisation:

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. Operating software is capitalised and amortised along with the related fixed asset.

The Group has used the following useful lives to amortise its intangible assets:

Class of Assets	Useful Lives
Computer software	3 Years

ix. Impairment of Non-Financial assets:

The Group periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

x. Business Combinations:

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interests method.

Other business combinations, involving entities or businesses are accounted for using acquisition method.

xi. Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at Amortized Cost
- Debt instruments at Fair Value through Other Comprehensive Income (FVTOCI);
- Debt instruments and equity instruments at Fair Value through Statement of Profit and Loss (FVTPL);
- Equity instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments (other than investments in subsidiaries and joint ventures):

All equity investments within the scope of Ind AS 109,' Financial Instruments', are measured at fair value either through Statement of Profit and Loss or other comprehensive income. The Group makes an irrevocable election to present in OCI the subsequent changes in the fair value on an instrument-by-instrument basis. The classification is made on initial recognition.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI. Any gains or losses on de-recognition is recognized in the OCI and are not recycled to the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

De-recognition of Financial Assets:

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily de-recognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

2. Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and transaction cost (if any) that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

b. Trade and other payables

These amounts represent liabilities for goods or services provided to the Group which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non-current liabilities and are measured at amortized cost unless designated as fair value through profit and loss at the inception.

c. Other financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial guarantee contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

De-recognition of Financial Liabilities:

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

3. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4. Compound Financial Instruments:

A financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and is subsequently measured at amortized cost. The residual value is recognized as equity component of other financial instrument and is not re-measured after initial recognition.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognized directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortized using effective interest method.

xii. Impairment of Financial assets:

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

xiii. Fair value measurement:

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level Input that is significant to the fair value measurement as a whole) at the end of each reporting period.

xiv. Revenue Recognition:

a. Revenue from Operations

Income from product delivery and services from banks in the capacity of Business Correspondent are recognized on accrual when the Group's performance obligation is satisfied.

b. Interest Income:

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the Statement of Profit and Loss. The expected cash flows are reassessed on a yearly basis and changes, if any, are accounted prospectively

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

c. Other Operating Revenue:

Other Operating revenue comprises income from ancillary activities incidental to the operations of the Group and are recognized when the right to receive the income is established as per the terms of the contract.

d. Dividend income:

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

xv. Leases:

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases". Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

As a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that conveys the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset; (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

As a lessor

Lease for which the Group is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

xvi. Employee benefits

1. Short Term and other long term employee benefits:

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Compensated leave absences are encashed by employees at year end and no carry forward of leave is permitted as per the leave policy.

2. Post-Employment Benefits

a. Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund and Superannuation Fund. The Group's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

b. Defined Benefit Plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in OCI in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment.

xvii. Borrowing costs:

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs are charged to the Statement of Profit and Loss.

xviii. Provisions:

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

xix. Contingent liabilities and Contingent Assets:

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 Group 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 Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Assets are not recognized but are disclosed when the inflow of economic benefits are probable.

xx. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares (if any) are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and consolidation of shares if any.

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

xxi. Taxes on Income:

Tax expense comprises of current and deferred tax.

a. Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized directly in equity is recognized in other comprehensive income / equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred tax:

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

c. Minimum Alternate Tax:

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. The carrying amount of MAT is reviewed at each reporting date and asset will be written down to the extent the Group's right of adjustment would lapse.

Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

xxii. Cash and Cash Equivalent:

Cash and cash equivalent 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, which are subject to insignificant risk of changes in value.

Significant accounting Judgments, estimates and assumptions:

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgments that the management has made in the process of applying the Group's accounting policies:

a) Recognition of deferred tax assets:

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

b) Provision and contingent liability:

On an ongoing basis, the Group reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies, the likelihood of which is remote, are not disclosed in the financial statements.

c) Useful lives of depreciable assets:

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2020 management assessed that the useful lives represent the expected utility of the assets to the Group. Further, there is no significant change in the useful lives as compared to previous year.

d) Evaluation of indicators for impairment of assets:

The evaluation of applicable indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

e) **Defined benefit obligation:**

Management's estimate of the Defined Benefit obligation is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the obligation amount and the annual defined benefit expenses.

f) **Fair value measurements:**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

2. Property, plant and equipment

(₹ in Lakhs)

Particulars	Land	Furniture & Fixtures	Office Equipm-ents	Vehicles	Computers	Leasehold Improv-ements	Total	Capital work-in -progress
Gross Block								
As at 1st April, 2019	**6.74**	**281.11**	**121.23**	**36.76**	**191.75**	**88.88**	**726.47**	**46.76**
Additions during the year	-	145.81	73.94	-	112.39	46.76	378.90	-
Disposals during the year	-	-	4.34	-	-	-	4.34	-
Capitalised during the year								46.76
As at 31st March, 2020	**6.74**	**426.92**	**190.83**	**36.76**	**304.14**	**135.64**	**1,101.03**	**-**
Additions during the year	-	48.86	31.55		128.96	-	209.37	-
Disposals during the year	-	-	-	-	0.23	-	0.23	-
Capitalised during the year	-	-	-	-	-	-	-	-
As at 31st March, 2021	**6.74**	**475.78**	**222.38**	**36.76**	**432.87**	**135.64**	**1,310.17**	**-**
Accumulated Depreciation								
As at 1st April, 2019	**-**	**48.23**	**49.05**	**12.24**	**109.08**	**2.54**	**221.14**	**-**
Depreciation charged for the year	-	62.64	70.68	7.74	58.52	16.94	216.53	-
Disposals during the year	-	-	0.29	-	-	-	0.30	
As at 31st March, 2020	**-**	**110.87**	**119.44**	**19.98**	**167.60**	**19.48**	**437.37**	**-**
Depreciation charged for the year	6.74	50.00	31.94	4.35	68.11	16.90	178.04	-
Disposals during the year	-		-				-	-
As at 31st March, 2021	**6.74**	**160.87**	**151.38**	**24.33**	**235.71**	**36.38**	**615.41**	**-**
Net Carrying amount								
As at 31st March, 2020	6.74	316.05	71.39	16.78	136.54	116.16	663.58	-
As at 31st March, 2021	-	314.91	71.00	12.43	197.16	99.26	695.11	-

For assets secured against borrowings, see Note 18.

3. Right-Of-Use Asset

(i) Amounts to be recognised in balance sheet as on March 31, 2021

The balance sheet shows the following amounts relating to leases:

(₹ in Lakhs)

Right to use assets	As at 31st March, 2021
Lease hold land	44.20
Total	**44.20**

(Additions to the right-of-use assets during the financial year 2020-21 were ₹ 47.36 Lakhs)

(₹ in Lakhs)

Lease liabilities	As at 31st March, 2021
Current	6.49
Non - Current	38.95
Total	**45.43**

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

(ii) Amounts to be recognised in Statement of Profit and Loss for the year ended March 31, 2021

The Statement of Profit and Loss shows the following amounts relating to leases: (₹ in Lakhs)

Depreciation	As at 31st March, 2021
Vehicles	3.16
Total	**3.16**

Interest expenses on lease liabilities (included in finance cost) ₹ 1.87 Lakhs

iii) Total cash outflow for leases during financial year was :

(₹ in Lakhs)

Particulars	As at 31st March, 2021
Operating cash flows : Interest expenses	-1.87
Total	**-1.87**

Impact of change in the accounting policy

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method of transition, accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The effect of this adoption is insignificant on the profit for the period, earnings per share, total assets, total liabilities and adjustment to retained earnings.

(i) Summary of practical expedients applied on initial application of Ind AS 116 Leases -

In applying IND AS 116 for the first time, the company has used the following practical expedients permitted by the standard:
1. Relying on assessments performed immediately before initial application on whether leases are onerous as per Ind AS 37 Provisions,Contingent liabilities and Contingent Assets, as an alternative to performing an impairment review as per Ind AS 36 -Impairments of assets as on the date of initial application – there were no onerous contracts as at 1 April 2019
2. Accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases, and
3. Excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, the company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the company relied on its assessment made applying IndAS 17 in determining whether an arrangement contains a Lease.

(ii) Measurement of lease liabilities

Operating lease commitments disclosed as at March 31, 2020	-
Operating lease commitments as on March 31,2020 discounted using the lessee's incremental borrowing rate of at the date of initial application	-
Add: finance lease liabilities recognised as at 31 March 2020	-
(Less): short-term leases not recognised as a liability	-
Add/(less): adjustments for non-cancellable lease	-
Lease liability recognised as at 1 April 2020	-
Of which are:	
Current lease liabilities	-
Non-current lease liabilities	-

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

4. Intangible assets

(₹ in Lakhs)

Particulars	Computer Software	Total
Gross Block		
As at 1st April, 2019	**35.68**	**35.68**
Additions during the year	3.49	3.49
Disposals during the year	-	-
As at 31st March, 2020	**39.17**	**39.17**
Additions during the year	0.71	0.71
Disposals during the year	-	-
As at 31st March, 2021	**39.88**	**39.88**
Accumulated amortization		
As at 1st April, 2019	**14.83**	**14.83**
Amortization for the year	7.85	7.85
Disposals during the year	-	-
As at 31st March, 2020	**22.68**	**22.68**
Amortization during the year	8.54	8.54
Disposals during the year	-	-
As at 31st March, 2021	**31.22**	**31.22**
Net Carrying amount		
As at 31st March, 2020	16.50	16.50
As at 31st March, 2021	**8.66**	**8.66**

5. Investment in Subsidiary Company

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Investment carried at FVTPL - Trade - Unquoted		
- Investments in equity instruments of Conatus Finserve Private Limited	61.00	96.64
- 400,010 Equity Shares of ₹10/- each fully paid up (31st March, 2020: 400,010 Equity Shares) Extent of holding - 2.70% (31st March, 2020: 2.70%)		
Investment in Four Degree Pvt Ltd	0.02	
Investment in Questo Welbeing Pvt Ltd	0.01	
Investment in Kudos Finance & Investment Pvt Ltd	15.00	
Total	**76.03**	**96.64**
Aggregate amount of Unquoted Investments	**76.03**	**96.64**
Aggregate provision for diminution in value of investments	-	-

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

6. Loans

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Unsecured, considered good		
Loan to Employees	0.85	-
Total	**0.85**	**6.78**
Current		
Secured, considered good		
Inter Corporate loan (Refer Note 40)	105.00	105.00
Unsecured, considered good		
Inter Corporate loan (Refer Note 40)	-	-
Loans to Employees	13.88	32.32
	118.88	**137.32**

Inter Corporate loan given to a Company in which Director is a member ₹105 Lakhs (PY ₹105 Lakhs).

7. Other financial assets - Non Current

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Unsecured, considered good		
Margin Deposits Account with scheduled banks #	3,216.07	4,916.20
Total	**3,216.07**	**4,916.20**

Represents margin deposit for providing financial services to Banks against First Loss Default Guarantee.

8. Deferred tax assets (net):

Particulars		As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Deferred tax liability			
- On Property, Plant and Equipment and intangible assets		-	-
- On fair value adjustments for financial instruments		-	-
	A		
Deferred tax assets		-	-
- On Property, Plant and Equipment and intangible assets		-	25.55
- On Provision for Employee Benefits		-	11.31
- On Provision for Expected Credit Loss		-	117.66
- On Others		-	8.99
	B	**-**	**163.51**
Net deferred tax (liability)/asset	**A - B**	**-**	**163.51**

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

Reconciliation of deferred tax:

Particulars	Deferred tax (liability)/assets as at 1st April, 2020	(Charge)/credit to Statement of Profit and Loss	(Charge)/credit to OCI	Deferred tax (liability)/assets as at 31st March, 2021
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Deferred Tax (Liability)/Asset				
- On Property, Plant and Equipment and intangible assets	25.55	25.55		-
- On fair value adjustments for financial instruments	-	-		
- On Provision for Expected Credit Loss	117.66	117.66		-
- On employee benefits expense	11.31	11.31		-
- On others	8.99	8.99		-
Total	**163.51**	**163.51**	**-**	**-**

Particulars	Deferred tax (liability)/assets as at 1st April, 2019	(Charge)/credit to Statement of Profit and Loss	(Charge)/credit to OCI	Deferred tax (liability)/assets as at 31st March, 2020
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Deferred Tax (Liability)/Asset				
- On Property, Plant and Equipment and intangible assets	6.30	19.25	-	25.55
- On fair value adjustments for financial instruments	(1.12)	1.12	-	-
- On Provision for Expected Credit Loss	152.54	(34.88)		117.66
- On employee benefits expense	11.89	7.24	(7.82)	11.31
- On others	-	8.99	-	8.99
Total	**169.61**	**1.72**	**(7.82)**	**163.51**

9. Non Current Tax Assets (net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
	₹ in Lakhs	₹ in Lakhs
Advance tax (net of provisions)	865.30	155.37
Total	**865.30**	**155.37**

10. Other non-current assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
	₹ in Lakhs	₹ in Lakhs
Rent Deposit	4.50	-
Deposit towards disputed service tax (Refer Note 34)	-	-
Capital Advance	-	-
	4.50	**-**

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

11. Trade receivables

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Trade receivables/unbilled revenue, Unsecured		
Considered Good	1,921.21	1,793.50
Considered Doubtful	0.51	0.51
Sub-Total	**1,921.72**	**1,794.01**
Allowance for doubtful debts	0.51	0.51
Total	**1,921.21**	**1,793.50**

For receivables secured against borrowings, see Note 18.

12. Cash and cash equivalents

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Balance with Banks		
In Current Account	2,270.26	614.79
- In Fixed Deposits having maturity of less than three months	-	-
Cash on Hand	-	25.00
Total	**2,270.26**	**639.79**

13. Bank balance other than cash and cash equivalents

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Earmarked balances with banks		
Margin Deposits Account with scheduled banks #	8,436.41	4,916.07
Total	**8,436.41**	**4,916.07**

Represents margin deposit for providing financial services to Banks against First Loss Default Guarantee.

14. Other financial assets

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Rental Deposits	397.51	361.60
Interest Accrued but not due	40.53	41.75
Balance with Government Authorities	12.66	6.68
Reimbursement of expenses	-	153.34
Less: Provision created for Expected Credit Loss	-	(153.34)
Other Receivables #	25.63	64.28
Total	**476.33**	**474.31**

Other receivable includes amount recoverable in cash equivalent.

15. Other current assets

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Unsecured, considered good		
Prepaid expenses	182.19	123.93
Gratuity (Refer Note 32)	18.69	17.54
Advance for expenses/other receivables	43.68	9.12
Total	**244.57**	**150.59**

16. Equity share capital

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	In Numbers	₹ in Lakhs	In numbers	₹ in Lakhs
Authorised				
Equity Shares of ₹10/- each	66,00,000	660.00	66,00,000	660.00
Issued, Subscribed and Paid up				
Equity Shares of ₹10/- each	53,57,500	535.75	53,57,500	535.75
Total		**535.75**		**535.75**

a) Terms/Rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10 per share. Each equity shareholder is entitled to one vote per equity share.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

During the year ended 31st March, 2021, the amount of dividend per share recognized as distribution to equity shareholders was ₹ Nil (31st March, 2020: ₹ Nil).

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Details of Shareholders holding more than 5% shares in the company:

Particulars	Equity Shares			
	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Ganesh Rao	26,75,050	49.93%	26,75,050	49.93%
Mrs. Meenakshi Rao	23,24,900	43.40%	23,24,900	43.40%
Mr. Jasbinder Singh Toor	3,57,550	6.67%	3,57,550	6.67%
Total	**53,57,500**	**100.00%**	**53,57,500**	**100.00%**

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	Equity Shares			
	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shares outstanding at the beginning of the year	53,57,500	535.75	53,57,500	535.75
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	53,57,500	535.75	53,57,500	535.75

d) There are no shares which have been allotted for consideration other than cash, bonus shares and shares bought back in the 5 years immediately preceding the reporting date.

e) There are no shares reserved for issue under options and contracts / commitments for sale of shares/disinvestment.

15. Other Equity

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Capital Reserves	369.21	369.21
Securities Premium	123.75	123.75
Debenture Redemption Reserve		
Opening balance	-	220.00
Add: transferred during the year from Retained Earnings	-	-
Less: Transferred to General Reserve on account of redemption of debentures during the year	-	(220.00)
Closing Balance	-	-
General Reserve		
Opening Balance	220.00	-
Add: Transferred from Debenture Redemption Reserve during the year		220.00
Closing Balance	220.00	220.00
Retained Earnings		
Opening balance	9,825.49	6,152.90
Add: Profit for the year	(2,044.85)	3,649.34
Add: Transfer from OCI	35.48	23.25
Closing Balance	7,816.13	9,825.49
Total	**8,529.09**	**10,538.45**

i) Securities Premium Reserve: Securities premium is received from the shareholders of the company on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

ii) General Reserve: General Reserves is created out of transfer made from debenture redemption reserve on redemption of debentures.

iii) Retained Earnings: Retained earnings are the balance (debit / credit) in the Statement of Profit and Loss.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

16. Borrowings

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Non Current	Current	Non Current	Current
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Secured Loans				
Vehicle Loans (Refer Note (i) below)	-	0.62	0.95	3.72
Loan from companies (Refer Note (ii) below)	723.35	1,022.15	815.71	666.86
Loans from Financial Institutions (Refer Note (iii) below)	-	1,000.00		
Unsecured Loans				
Term Loan from Bank (Refer Note (iv) below)	1.75	15.53	22.91	25.01
Loans from Financial Institutions (Refer Note (v) below)		300.00	18.07	26.83
	725.10	**2,338.30**	**857.64**	**722.42**
- Unamortised portion of upfront processing fee	(24.72)	(21.32)	(10.03)	(11.30)
Total	**700.38**	**2,316.98**	**847.61**	**711.13**

The Company has not defaulted in the payment of interest and installments of the loans as at 31st March 2021.

(i) Secured Loans

Vehicle Loans from Toyota Financial Services India Limited are secured by way of hypothecation of vehicles procured out of such loans. The loans as on 31-03-2021 of ₹ 0.62 Lakh is repayable in 2 monthly instalments of ₹ 0.33 Lakh .The interest is payable on monthly basis and the rate of interest is 9.99% per annum respectively.

(ii) Loan from companies:

Loans from Jain Sons Finlease Limited:

Loan of ₹200 Lakhs (PY ₹200 Lakhs) and outstanding of ₹NIL (PY ₹12.14 Lakhs):

Terms of repayment: Last EMI payment date is in April 2020.

Loan of ₹200 Lakhs (PY ₹200 Lakhs) and outstanding is NIL (PY ₹173.33 Lakhs):

Terms of repayment: 7 monthly installments of ₹9.0 Lakhs and 8th Full & Final installment of ₹11.90 Lakhs is paid in November 2020.

Term Loan from U.C Inclusive Credit Private Limited:

Tranche 1 of ₹300.00 Lakhs and outstanding of ₹169.44 Lakhs:

Terms of repayment: Term loan is repayable in 36 monthly installments of ₹10.77 Lakhs from the date of first disbursement. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in September 2022.

Tranche 2 of ₹200.00 Lakhs and outstanding of ₹123.79 Lakhs:

Terms of repayment: Term loan is repayable in 36 monthly installments of ₹7.18 Lakhs from the date of first disbursement. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in November 2022.

Tranche 3 of ₹350.00 Lakhs and outstanding of ₹312.61 Lakhs:

Terms of repayment: Term loan is repayable in 24 monthly installments from Jan-21 onwards of ₹17.39 Lakhs from the date of first disbursement. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in December 2022.

Both the above tranches are secured by hypothecation of receivable to the extent of 100% of the principal outstanding. The term loan is guaranteed by Mr. Ganesh Rao, Managing Director and CEO and Mrs. Meenakshi Rao, Director of the Company.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

Loan from Caspian Impact Investment Private Limited:

Loan of ₹500 Lakhs and outstanding of ₹250 Lakhs:

Terms of repayment: Loan is repayable in 27 monthly installments of ₹16.67 Lakhs from the date of first disbursement. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in June 2022.

Loan is hypothecated by way of first ranking, pari-passu charge over current assets of the Company so as to provide a security cover of at least 1 time on the outstanding credit facility. The loan is guaranteed by Mr. Ganesh Rao, Managing Director and CEO of the Company.

Loan from Vivriti Capital Private Limited:

Loan of ₹500 Lakhs and outstanding of ₹NiL Lakhs:

Terms of repayment: Term loan is repayable in 24 monthly instalments of ₹24.84 Lakhs. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in March 2022. However, we closed the loan during December 2020

Loan of ₹1000 Lakhs and outstanding of ₹889.68 Lakhs:

Terms of repayment: During this year the New Two Addtional Term loans of Rs 1000 Lakhs (each of Rs 500 Lacs) in two Tranches during December 2020 and is repayable in 24 monthly instalments of ₹24.84 Lakhs of each loan. The interest is payable on monthly basis and the rate of interest is 17.5% per annum. Last EMI payment date is in December 2022.

The loan is secured by first pari passu charge by way of hypothecation over all receivable of the Company, both present and future so as to provide a security cover of at least 1 time on the outstanding credit facility. The loan is guaranteed by Mr. Ganesh Rao, Managing Director and CEO of the Company.

(iii) Loan from Sammunathi Financial Intermediation Services Pvt Ltd.

Loan of ₹1000 Lakhs and outstanding of ₹1000 Lakhs:

Terms of repayment: Term loan is repayable in 6 instalments of ₹174.65 Lakhs. The interest is payable on monthly basis and the rate of interest is 16.25% per annum. Last EMI payment date is in 1st October 2021.

(iva) Unsecured Loans from HDFC Limited:

Unsecured Loans as on 31-03-2021 of ₹2.75 Lakhs and ₹14.52 Lakhs are repayable in 2 and 15 monthly instalments of ₹1.39 Lakh and ₹1.16 Lakh respectively. The interest is payable on monthly basis and the rate of interest is 7.50% and 8.25% per annum respectively.

(ivb) Unsecured Term Loan from DCB Bank Limited:

Loan of ₹50 Lakhs and outstanding of NiL:

Terms of repayment: Term loan is repayable in 21 monthly installments of ₹2.08 Lakhs. The interest is payable on monthly basis and the rate of interest is 11.0% per annum. Last EMI payment date was in February 2022. However, the loan was fully repaid on 5th February, 2021.

(v) Loan from Concord Marketing & Financiers Pvt Ltd.

Loan of ₹300 Lakhs and outstanding of ₹300 Lakhs:

Terms of repayment: Term loan is repayable in 12 monthly instalments of ₹26.89 Lakhs. The interest is payable on monthly basis and the rate of interest is 16.25% per annum. Last EMI payment date is in March 2022.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

19. Other Financial Liabilities: Non Current

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Lease Liability	38.95	-
Total	**38.95**	**-**

20. Other financial liabilities

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Current maturities of long term debt (Refer Note 18)	2,316.97	711.12
Interest accrued but not due on borrowings	21.40	12.78
Lease Liability Current	6.49	-
Overdraft facility from Union Bank of India *	-	145.76
Accrued Employee Benefits	98.61	60.38
Disbursement in Pipeline	819.00	42.07
Other payables & accruals - dues to Micro and Small Enterprise* (Refer Note 37)	11.88	11.37
Other payables & accruals - dues to other than Micro and Small Enterprise #	305.94	278.20
Commitment Charges Payable	2,459.00	-
Total	**6,039.29**	**1,261.68**

Other payables and accruals represents EMI collected, cancelled disbursements and accrued expenses..

21. Other current liabilities

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Statutory dues payable	582.05	504.50
Member insurance payable	219.19	82.18
Others	2.03	1.55
Total	**803.27**	**588.23**

22. Provisions

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Provision for Gratuity (Refer Note 32)	67.52	44.94
Provision for expected credit loss on EMIs	1,599.63	305.61
Provision for unspent CSR expenses	64.17	-
Total	**1,731.32**	**350.55**

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

Movement in provision for expected credit loss on EMI's is as follows:

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Opening balance	305.61	528.92
Additions	5,200.00	341.30
Withdrawals/utilisation	3,906.00	564.61
Closing balance	**1,599.61**	**305.61**

Note:

As an authorised Business Correspondent of various banks/financial institutions, the Company is obligated to make good the loss suffered by banks/financial institutions on account of uncollected EMI's from the members of JLG/SHG to the extent of first 5% of loan portfolio outstanding as First Loss Default Guarantee. The above provision is based on Markov Chain Model. The withdrawals/utilisation represents the commitment charges paid to the respective banks/financial institutions on the basis of principles explained above..

23. Current Tax Liabilities (net)

Particulars	As at 31st March, 2021 ₹ in Lakhs	As at 31st March, 2020 ₹ in Lakhs
Provision for taxation (net of Advance tax of ₹ 64.28 Lakhs, PY ₹ 33.89 Lakhs)	-	7.46
Total	**-**	**7.46**

24. Revenue from operations

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Revenue from Operations		
Commission Income	16,307.47	16,406.94
Other operating revenues		
Interest on Margin Deposits	725.11	570.11
Interest on Inter Corporate loan	18.83	22.84
Insurance brokerage	66.80	166.06
Stationary fees	6.58	8.36
Total	**17,124.80**	**17,174.31**

25. Other income

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Professional income	145.68	102.30
Interest on income tax refund	1.66	-
Interest income on financial assets	530.92	-
Miscellaneous Income	13.32	2.80
Total	**691.58**	**105.10**

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

26. Employee benefits expense

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Salaries & Wages	9,729.80	8,172.65
Contribution to Provident and Other Funds (Refer Note 32)	873.84	710.26
Gratuity (Refer Note 32)	93.87	100.81
Staff Welfare Expenses	101.99	150.18
Total	**10,799.49**	**9,133.90**

27. Finance cost

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Interest on Inter corporate Loans and Debentures	278.81	201.12
Interest on Income Tax	0.88	6.34
Interest on MSME Parties	0.48	1.55
Other Borrowing Cost	6.00	10.39
Total	**286.17**	**219.40**

28. Depreciation and amortization expense

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
- Depreciation on Property, Plant and Equipment (Refer Note 2)	183.16	216.52
- Amortisation on Intangible Assets (Refer Note 4)	-	7.85
Total	**183.16**	**224.37**

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

29. Other expenses

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Travelling & Conveyance	79.54	182.19
Postage & Telephone	171.11	155.00
Insurance	0.58	180.06
Rent (Refer Note 38)	211.17	629.43
Electricity Charges	748.71	46.35
Printing and Stationery	45.41	195.02
Repair & Maintenance - Computer	233.57	16.30
Repair & Maintenance - Vehicle	17.99	2.49
Office Upkeep and Maintenance	244.35	204.96
Software Usage Charges	249.82	169.19
Professional & Legal Expenses	144.22	89.26
CSR Expenses (Refer Note 39)	84.61	74.79
Directors sitting fees	11.00	11.75
Auditors Remuneration (Refer Note 29.1)	15.80	13.95
Rates & taxes	90.93	85.65
Commitment Charges	-	-
Loss on sale of PPE	-	3.20
Impairment Loss of Land	6.74	-
Loss on Fair value changes of Equity Instruments	-	3.36
Loss on Fair valuation of Financial Assets	530.92	-
Loss on Fair Valuation of Investments	55.66	-
Bank Charges	234.14	201.90
Expected Credit Loss on Trade Receivable	-	0.51
Expected Credit Loss on Service Tax Reimbursement	-	153.34
Provision for expected credit loss against FLDG commitment	5,200.00	341.30
Miscellaneous Expenses	8.69	13.81
Total	**8,384.97**	**2,773.80**

29.1. Remuneration to auditors (excluding service tax/GST)

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
a. for Statutory Audit	15.50	13.50
b. for Taxation Matters	-	-
c. for Limited Review	-	-
d. for Reimbursement of expenses	0.30	0.45
Total	**15.80**	**13.95**

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

30. Tax Expenses

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
A. Current Tax		
Current tax on profit for the year	55.91	1,263.00
Charge/ (Credit) in respect of current tax for earlier years	-	17.30
TOTAL (A)	55.91	1,280.30
B. Deferred Tax		
Origination and reversal of temporary differences	151.56	(1.71)
Charge in respect of deferred tax for earlier years	-	-
TOTAL (B)	151.56	(1.71)
Tax expense recognized in Statement of Profit and Loss (A)+(B)	207.47	1,278.59
Tax expense recognized in Other Comprehensive Income (c)	11.94	7.82
Total Tax Expense / (benefit)	**219.40**	**1,286.41**

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in Statement of Profit and Loss is as follows:

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Profit before tax	(1,837.40)	4,927.94
Enacted tax rate	23.471%	25.046%
Expected income tax expense/(benefit) at statutory tax rate	(431.27)	1,234.26
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Expenses not deductible in determining taxable profits	598.90	126.33
Tax allowances and concession	-	(144.33)
Charge/ (Credit) in respect of current tax for earlier years	-	17.29
Others	51.77	52.86
Tax expense for the year	**219.40**	**1,286.41**
Effective income tax rate	-11.94%	26.10%

Note: The above workings are based on provisional computation of tax expenses and are subject to finalisation of tax audit/ filing of tax returns in due course.

Unrecognised deferred tax asset:

The Group's subsidiary, Indian Association for Savings and Credit, has tax losses due to unabsorbed business losses/depreciation allowance and short term capital loss. Deferred tax asset has not been recognised by the Group on below items because it is not probable that future taxable profits would be available against which the losses and other allowances can be used. The losses/ allowance for which no deferred tax asset was recognised are as follows:

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Tax losses / Unabsorbed Depreciation	0.53	35.38
ECL provision	14.47	-
Short term capital loss	-	59.59

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

31. Earnings per share

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Profit after tax	(2,044.88)	3,649.35
Weighted Average number of Equity shares outstanding for basic earnings	53,57,500	53,57,500
Weighted Average number of Equity shares outstanding for diluted earnings	53,57,500	53,57,500
Basic Earnings Per Share (in ₹)	(38.17)	68.12
Diluted Earnings Per Share (in ₹)	(38.17)	68.12

32. Employee benefits

The details of various employee benefits provided to employees are as under:

A. Defined contribution plan:

The company also contributes on a defined contribution basis to employees' provident fund. Contributions are made to the provident fund in India for employees as per the requirement of regulations. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Employer's Contribution to Provident Fund	740.35	593.96
Employer's Contribution to ESIC	131.66	114.68
Employer's Contribution to Labour welfare	1.82	1.61
Total	**873.84**	**710.26**

B. Defined benifit plan:

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation using the projected unit credit method as at the end of each financial year based on which the Company contributes the ascertained liability to Life Insurance Corporation of India with whom the plan assets are maintained.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, salary escalation risk and longevity risk.

Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary escalation risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, higher than expected increases in salary will increase the defined benefit obligation.

Longevity risk: The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

Principal actuarial assumptions:

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Discount Rate *	3.87% to 7.18%	4.87% to 6.46%
Expected Return on Assets	3.87% to 7.18%	4.87% to 6.46%
Salary Escalation #	0% for 3 years and 4% thereafter	0% for 3 years and 4% thereafter
Attrition Rate	3% to 66.18%	30% to 66.18%
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

* The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amount recognized in Statement of Profit and Loss for the year:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Current Service Cost	92.22	102.96
Net Interest on Defined Benefit Obligations	1.65	(2.15)
Expenses recognized in the statement of profit and loss	**93.87**	**100.81**

Recognized in Other Comprehensive Income (OCI) for the year:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Return on plan assets (excluding amounts included in net interest expense)	15.46	5.80
Actuarial (gains)/losses arising from changes in financial assumptions	(31.38)	(23.54)
Actuarial (gains)/losses arising from experience adjustments	31.20	(13.86)
Actuarial (gains)/losses due to demographic assumption changes in DBO	(62.70)	0.52
Amount recognized in OCI for the current period	**(47.42)**	**(31.07)**

Change in present value of Defined Benefit Obligation (DBO):

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Present value of obligations as at the beginning of the year	219.42	153.38
Current Service Cost	92.22	102.97
Interest on Defined Benefit Obligations	15.03	9.58
Actuarial (gain)/loss on plan obligation	(62.89)	(36.88)
Benefits paid	(19.38)	(9.63)
Liability transfer	-	-
Present value of obligations as at the end of the year	**244.39**	**219.42**

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

Change in fair value of plan assets:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Fair value of plan assets as at the beginning of the period	192.02	128.68
Return on plan assets	13.38	11.75
Contributions	-	67.03
Asset transfer	25.01	-
Benefits paid	(19.38)	(9.63)
Actuarial gain/(loss) on plan assets	(15.46)	(5.80)
Fair value of plan assets as at the end of the period	**195.56**	**192.02**

Net Asset/Liability recognized in Balance Sheet:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Present value of obligations	244.39	219.42
Fair Value of Plan Assets	195.56	192.02
Amount recognized (Refer Note 15 & 22)	**48.83**	**27.40**

Maturity profile of Present Value of defined benefit obligation:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
Within the next 12 months	7.66	28.27
Between 2 and 5 years	29.45	51.18
Between 6 and 10 years	21.00	12.83
Beyond 10 years	186.28	127.14
Expected contributions to the plan for the next annual reporting period	**244.39**	**219.42**

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

(₹ in Lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate by 1%	215.57	279.60	209.75	230.08
Salary Escalation rate by 1%	280.04	214.99	228.81	210.79
Attrition rate by 1%	262.92	222.10	217.42	221.31
Mortality rate by 10%	244.83	-	219.49	-

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

33. Significant matters stated in notes to the audited financial statements / audit report of subsidiary:

a) In view of the decision of the Board of Directors not to proceed further in getting the exemption under section 11/12A of the Income Tax Act, the income earned during the year has been appropriately considered for taxation. In the opinion of the management, the provision carried in the books of accounts for taxation is adequate.

b) The Board of Directors have passed a resolution in its meeting dated 16th April, 2020 stating that they will not accept any public deposits for the financial year ending 31st March 2021.

34. Contingent Liabilities:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Disputed Income tax demand payable not provided for	-	-
Disputed service tax liability*	-	-
First Loss Default Guarantee	(to the extent of Margin Deposits)	

* Excluding interest and penalty

35. The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant impact and volatility in the global and Indian financial markets and slowdown in the economic activities. The Group has made a provision of ₹ 5,200.00 Lakhs as per the adopted ECL model for impairment on loan portfolio handled as on March 31, 2021 as computed by an independent valuer. The management has evaluated the impact of COVID-19 on its assets comprising of property, plant and equipment, investments, trade receivables and other financial assets, and has concluded that there is no significant impact on the carrying amount of these assets besides impairment, if any, and are recoverable as at the balance sheet date. The impact of COVID-19 pandemic is dependent on future developments which is highly uncertain, therefore the financial impact in subsequent periods may be different than currently assessed.

36. The balances in trade receivable are subject to confirmation and reconciliation, if any. However in the opinion of the Management, balances in trade receivable account are recoverable at least to the extent stated in the balance sheet.

37. The information in relation to dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company, which has been relied upon by the auditors.

(₹ in Lakhs)

Details of dues to Micro and Small Enterprises as per MSMED Act,2006	As at 31st March, 2021	As at 31st March, 2020
a) Principal amount due to suppliers under MSMED Act, 2006	11.88	11.37
b) Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	2.03	0.22
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	64.31	97.94
d) Interest paid to suppliers under MSMED Act (Section 16)	-	-
e) Interest due and payable towards suppliers under MSMED Act for payments already made	(0.00)	1.33
f) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (including interest mentioned in (e) above)	2.03	1.55

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

38. Assets taken on operating lease:

The Company and subsidiary, as a lessee, has entered into a cancellable agreement for lease of buildings for its business ranging from one year to five years in the nature of operating lease with an option to renew the lease..

The Future minimum Lease payments are as follows: **(₹ in Lakhs)**

Details of dues to Micro and Small Enterprises as per MSMED Act,2006	As at 31st March, 2021	As at 31st March, 2020
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-

During the year, ₹211.17 Lakhs (P.Y. ₹629.43 Lakhs) has been debited to Statement of Profit and Loss account.

(i) There are no restriction covenants in the lease agreement.

(ii) The Group does not have any contingent lease rental expenses.

(iii) The above future minimum lease rentals includes normal escalation rate based on agreements.

39. CSR Expenditure:

Particulars	For the year ended 31st March, 2021 ₹ in Lakhs	For the year ended 31st March, 2020 ₹ in Lakhs
a. Gross Amount required to be spent by the Group during the year	84.56	63.35
b. Amount spent during the year	84.61	74.79

Name of the Company	In Cash	Yet to be paid in cash	Total
(i) Construction/Acquisition of any asset	-	-	-
(ii) On purposes other than (i) above (previous year : 74.79 Lakhs)	84.61	-	84.61

40. Disclosure u/s 186 of the Companies Act,2013 relating to loans granted and guarantees furnished: (₹ in Lakhs)

Name of the company	As at 31st March, 2021	As at 31st March, 2020	Purpose
Loans given:			
Ambition Services Private Limited	105.00	105.00	Working capital
Investments made:			
Conatus Finserve Private Limited	61.00	96.64	
Fourdegree Water Private Limited	0.02	-	
Questo Wellbeing Private Limited	0.01	-	
Total	**166.03**	**201.64**	

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

41. Fair value measurements:

i. Financial instruments by category & hierarchy:

The carrying value and fair value of financial instruments by categories and hierarchy as at 31st March, 2021 were as follows:

(₹ in Lakhs)

Particulars	Notes	Carrying Amount				Fair Value			
		FVTOCI	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Investments	4	-	76.03	-	76.03	-	-	76.03	76.03
Trade Receivables	10	-	-	1,921.21	1,921.21	-	-	-	-
Cash and Cash equivalents	11	-	-	2,270.26	2,270.26	-	-	-	-
Other bank balances	12	-	-	8,436.41	8,436.41	-	-	-	-
Loans	5	-	-	119.73	119.73	-	-	-	-
Other financial assets	6,13	-	-	3,692.40	3,692.40	-	-	-	-
Financial Liabilities									
Borrowings	17	-	-	3,017.36	3,017.36	-	-	-	-
Other financial liabilities	18	-	-	3,761.27	3,761.27	-	-	-	-

The carrying value & fair value of financial instruments by categories & hierarchy as at 31st March, 2020 were as follows:

(₹ in Lakhs)

Particulars	Notes	Carrying Amount				Fair Value			
		FVTOCI	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Investments	10		96.64		96.64			96.64	96.64
Trade Receivables	11	-	-	1,793.50	1,793.50	-	-	-	-
Cash and Cash equivalents	12	-	-	639.79	639.79	-	-	-	-
Other bank balances	5	-	-	4,916.07	4,916.07	-	-	-	-
Loans		-	-	144.10	144.10	-	-	-	-
Other financial assets	6,13	-	-	5,390.51	5,390.51	-	-	-	-
Financial Liabilities									
Borrowings	17	-	-	1,558.73	1,558.73	-	-	-	-
Other financial liabilities	18	-	-	550.57	550.57	-	-	-	-

The Company has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings and other current financial liabilities are a reasonable approximation of their fair values.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

ii. Valuation technique used to determine fair value:

The fair value of the financial assets and liabilities are at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings and other current financial liabilities are a reasonable approximation of their fair values.

The estimated fair value amounts as at 31st March, 2021 have been measured as at that date. As such, the fair values of these financial instruments subsequent to reporting date may be different than the amounts reported at each year-end.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

42. Financial Risk Management:

The Group's businesses are subject to several risks and uncertainties including financial risks.

The Group activities expose it to credit risk, liquidity risk and market risk - interest rate risk. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis, Credit ratings
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts
Market risk – Interest rate risk	Long-term borrowings at variable rates	Cash flow forecasting, Sensitivity analysis

a. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The company's credit risk generally arises from Cash and cash equivalents, trade receivables, and other financial assets.

Credit risk management

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Assets Group	Description of category	Particulars	Provision for expected credit loss
Low credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
Moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong.	Nil	12 month expected credit loss/life time expected credit loss
High credit risk	Assets where there is a high probability of default.	Nil	12 month expected credit loss/life time expected credit loss/fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

Credit rating	Particulars	As at 31st March, 2021	As at 31st March, 2020
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets (Refundable deposits).	16,516.03	12,980.61
Moderate credit risk	Nil	-	-
High credit risk	Nil	-	-

Basis of arriving at ECL

As an authorised Business Correspondent of various banks/financial institutions, the Company is obligated to make good the loss suffered by banks/financial institutions on account of uncollected EMI's from the members of JLG/SHG to the extent of first 5% of loan portfolio outstanding as First Loss Default Guarantee. The provision is based on Markov Chain Model. The utilisation/withdrawal represents the commitment charges paid to the respective banks/financial institutions on the basis of principles explained above.

Reconciliation of loss allowance for first loss default guarantee for EMIs: **(₹ in Lakhs)**

Name of the company	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	305.61	528.92
Additions during the year	5,200.00	341.30
Amounts withdrawn/utilisation during the year	(3,906.00)	(564.61)
Balance at the end of the year	**1,599.61**	**305.61**

b. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the business, the Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of Financial Liabilities as at 31st March, 2021 are as follows: **(₹ in Lakhs)**

	Contractual cash Flows				
Particulars	Less than 1 year	1-5 years	More than 5 years	Total	Carrying Amount
Borrowings	2,316.98	700.38	-	3,017.36	3,017.36
Other Financial liabilities	3,722.32	38.95	-	3,761.27	3,761.27
Total	**6,039.30**	**739.33**	**-**	**6,778.63**	**6,778.63**

Maturities of Financial Liabilities as at 31st March, 2020 are as follows: **(₹ in Lakhs)**

	Contractual cash Flows				
Particulars	Less than 1 year	1-5 years	More than 5 years	Total	Carrying Amount
Borrowings	711.12	847.61	-	1,558.72	1,558.72
Other Financial liabilities	550.57	-	-	550.57	550.57
Total	**1,261.68**	**847.61**	**-**	**2,109.28**	**2,109.28**

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

c. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Company's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

Interest rate Risks

The Company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The borrowings are fixed rate borrowings and are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates..

Interest rate risk exposure

The Company does not have any variable rate borrowing which is subject to interest rate risk. **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed Rate Borrowings	3,017.36	1,558.73

43. Capital Management

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements.

The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt).

Net debt are non-current and current debts as reduced by cash and cash equivalents and current investments. Equity comprises all components including other comprehensive income.

The following table summarizes the gearing ratio of the Company: **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current Borrowings (Refer Note 18)	700.38	847.61
Current Maturities of Long term Debt (Refer Note 18)	2,316.97	711.12
Total Borrowings (a)	**3,017.35**	**1,558.73**
Cash and Cash equivalents (Refer Note 12)	2,270.26	639.79
Total Cash (b)	**2,270.26**	**639.79**
Net Debt (c) = (a)-(b)	**747.08**	**918.93**
Share Capital (Refer Note 16)	535.75	535.75
Other Equity (Refer Note 17)	8,529.09	10,538.45
Total Equity (d)	**9,064.84**	**11,074.20**
Total Capital (e) = (c)+(d)	**9,811.92**	**11,993.13**
Gearing Ratio = (c)/(e)	**0.08**	**0.08**

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

44. Segment Information:

The Group is in the business of authorised Business Correspondent of banks and financial institutions which is the only reportable operating segment. Hence, separate disclosure requirements of Ind AS -108 " Segment Reporting" are not applicable.

45. Related Party Disclosures:

(i) List of related parties with whom transactions have taken place during the year ended 31st March, 2021 and relationship:

(a) Key Management Personnel (KMP) & Relative:

- Mr. Ganesh Rao
- Mrs. Meenakshi Rao
- Mr. K. R. Kamath
- Mr. Mohan Vasant Tanksale
- Mr. Ambadas Mukundrao Pedgaonkar
- Mr. V. K. Mohan
- Mr. R. Loganathan
- Mrs. Mona Thakkar
- Ms. Krutika Ganesh Rao (Relative of Mr. Ganesh Rao)

(b) Others: (Enterprise over which key management personnel are able to exercise significant influence)

- Parameshwaran & Associates
- Conatus Finserve Private Limited

(ii) Related Party Transactions:

Disclosure of transactions between the group and related parties and the status of outstanding balance as at 31st March, 2021:

Nature of Transactions	Subsidiary Company		Key Management Personnel (KMP) & Relative	
	2020-21	2019-20	2020-21	2019-20
Transactions during the period:				
Salary paid	**166.94**	**164.91**	**-**	**-**
Salary paid to relative of KMP	3.35	3.28	-	-
Directors sitting fees	11.00	11.75	-	-
Professional charges paid	12.00	12.00	-	1.80
Interest paid	-	-	-	-
Loan availed by Company during the year which is guaranteed by Director	2,650.00	1,500.00	-	-
Loan repaid to KMP	-	-	-	-
Loan given to KMP	-	6.20	-	-
Loan repaid by KMP	0.20	16.00	-	-
Loan Given during the year	-	-	-	100.00
Loan repaid during the year	-	-	-	100.00
Investment in shares	-	-	35.05	100.00
Interest received on loan	-	-	18.82	4.79
Outstanding balances as at the year end:				
Loan Receivable from KMP	-	0.20	-	-
Outstanding amount of loan guaranteed	3,045.50	1,482.57	-	-
Investment	-	-	76.03	96.64

Note: Salary paid to KMP does not include amount in respect of gratuity as the same is not determinable separately.

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

46. A. Interests in Subsidiary: **(₹ in Lakhs)**

Particulars	Country of incorporation	Percentage of ownership	
		As at 31st March, 2021	As at 1st April, 2020
Indian Association for Savings and Credit (Section 8 Company)	India	99.98%	99.98%

B. Non-controlling interest (NCI):

Set out below is the summarised financial information of the subsidiary. The amount disclosed for the subsidiary is before intra- group eliminations:

Summarised Balance sheet **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 1st April, 2020
Current Assets	234.38	170.80
Current Liabilities	28.65	44.80
Net Current Assets	205.73	126.00
Non Current Assets	1,335.88	1,895.95
Non Current Liabilities	40.69	19.02
Net Non Current Assets	1,295.19	1,876.93
Net Assets	1,500.92	2,002.93
Accumulated NCI	0.33	0.44

Summarised statement of Profit and Loss **(₹ in Lakhs)**

Particulars	For the year ended 31st March, 2021	For the year ended 1st April, 2020
Revenue	227.49	377.13
Profit/(Loss)	(502.60)	43.64
Other Comprehensive Income	0.41	0.26
Total Comprehensive Income	(502.19)	43.90
Other Consolidation adjustments	-	-
Profit / (Loss) to Non Controlling Interest	(0.11)	0.01

Summarised statement of cash flows **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 1st April, 2020
Cash flow from Operating activities	701.46	30.13
Cash flow from Investing activities	(672.74)	-
Cash flow from Financing activities	(36.70)	(36.61)
Net increase/(decrease) in cash and cash equivalents	(7.99)	(6.48)

Notes on the Consolidated Financial Statement for the year ended 31st March 2021

47. Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements.

Name of the entity in the Group	Net Assets (i.e. total assets minus total liabilities)		Share in total comprehensive income	
	As % of Consolidated net assets	₹ in Lakhs	As % of Consolidated Profit or Loss	₹ in Lakhs
Parent				
New Opportunity Consultancy Private Limited	83.44%	7,564.27	75.01	(1,507.24)
Subsidiary				
Indian Association for Savings and Credit	16.55%	1,500.39	24.99	(502.08)
Non-controlling interest	0.01%	0.33	0.01%	(0.11)

48. Reconciliation of the opening and closing balances of liabilities arising from Financing activities: **(₹ in Lakhs)**

Particulars	Balance as on 31st March, 2021	Balance as on 1st April, 2020	Fair value / Ind AS adjustments	Net Cash flows-inflow/(Outflow)
Long-term borrowings (Net)	3,017.36	1,558.73	530.92	927.71

(₹ in Lakhs)

Particulars	Balance as on 31st March, 2020	Balance as on 1st April, 2019	Fair value / Ind AS adjustments	Net Cash flows-inflow/(Outflow)
Long-term borrowings (Net)	1,558.73	1,034.38	-	524.35

49. Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

50. The Code on Social Security, 2020 ('Code') received the Indian Parliament approval and Presidential Asset in September 2020. The Code once made effective would impact the employee benefits during employment as well as post employment benefits. The implementation of the Code has been deferred by the Central Government on March 30, 2021 and the date from which the code will be effective is yet to be notified. The impact assessment of the Code will be done by the Company once the same is made is effective.

51. In view of operating losses and on prudence basis, no deferred tax assets have been recognised.

52. Previous years figures have been regrouped, reclassified and rearranged wherever necessary to conform to the current years classification.

53. Figures have been rounded off to the nearest rupee.

In terms of our report of even date attached

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Sd/-
Snehal Shah
Partner
Membership No. 048539

Place: Mumbai
Date: 08th May, 2021

For and on behalf of the Board of Directors

Sd/-
K.R. Kamath
Chairman
DIN: 01715073

Sd/-
Ganesh Ramanand Rao
Managing Director & CEO
DIN: 02302989

Sd/-
R. Loganathan
Chief Financial Officer

Sd/-
Mona Jeetendra Thakkar
Company Secretary
ACS M. No: A43836

Place : Mumbai
Date : 08th May, 2021

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Website: www.nocpl.in