



APOLLO FINVEST (INDIA) LIMITED.

CIN No.: L51900MH1985PLC036991
Unit No. 803, Morya Blue Moon,
Veera Desai Industrial Estate, Andheri West,
Mumbai, Maharashtra 400053
Email Id: info@apollofinvest.com
Contact No. 022-62231667/68

Date: November 9, 2020

To,
BSE Limited,
The Corporate Relations Department,
PJ Tower, Dalal Street, Fort,
Mumbai- 400 001.

Dear Sir/ Madam,

Ref: - Scrip Code: 512437

Sub: Annual Report for the financial year 2019-20 and Notice of 34th Annual General Meeting

Pursuant to Regulation 34(1) read with Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended, please find enclosed the following documents for the financial year 2019-20:

1. Notice of the 34th Annual General Meeting scheduled to be held on Thursday, December 3, 2020
2. Annual Report for FY 2019-20

The same is also being uploaded on the website of the Company www.apollofinvest.com.

Kindly take the above information on your record.

Thanking You,
For Apollo Finvest India Limited

Mikhil Innani
Managing Director
DIN: 02710749

Encl: As above



Apollo Fininvest (India) Limited

**34th Annual Report
2019-2020**

BOARD OF DIRECTORS:

MR. MIKHIL R. INNANI
Managing Director

MR. AKASH VALIA
Independent Director

DR. KRUTI KHEMANI
Independent Director

MR. PARITOSH RAM KHATRY
Independent Director

MS. DIKSHA NANGIA
Whole Time Director

KEY MANAGERIAL PERSONNEL

MS. DIKSHA NANGIA
Chief Financial Officer

MS. KSHAMA WAZKAR
Company Secretary and Compliance Officer
(upto 08th July, 2019)

MS. URVI RATHOD
Company Secretary and Compliance Officer
(Effective from 08th July, 2019)

AUDITORS:

GMJ & CO.
Chartered Accountants
3rd & 4th Floor, B-Wing,
Vaastu Darshan, Azad Road,
Above Central Bank of India,
Andheri (East),
Mumbai - 400 069

BANKERS:

IDBI BANK LIMITED

HDFC BANK LIMITED

YES BANK

REGISTRAR SHARE & TRANSFER AGENTS:

LINK INTIME INDIA PVT LTD.
C-101, 247 Park, L.B.S. Road,
Vikhroli (West), Mumbai- 400083
TEL: 022-49186270/ 491

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REGISTERED OFFICE:

Unit No. 803, Morya Blue Moon, 8th Floor,
Veera Desai Industrial Estate, New Link Road,
Opp. Laxmi Industrial Estate, Andheri (West), Mumbai- 4000 53
Contact – 022-62231667
Email: info@apollofinvest.com
apollofininvestrel@gmail.com
Website: www.apollofinvest.com

INFORMATION FOR SHAREHOLDERS
34th ANNUAL GENERAL MEETING

DATE :	Thursday, 03 rd December, 2020
TIME :	11:30 A.M.
MODE :	Through Video Conferencing (VC)
DATE OF BOOK CLOSURE:	27 th November, 2020 to 03 rd December 2020

CHAIRMAN'S LETTER

Dear Shareholders,

I wish to start this letter with your Company's journey in the lending business. In February 2020, we completed 2 years of building the Apollo Finvest platform. In around December 2017, my entrepreneurial itch was acting up. Hotstar was getting acquired by Disney and I felt my journey there was coming to an end. To be honest, I always wanted to go back to building my own company at some point. Fintech was the talk of the town and the thesis made sense. A huge population without access to financial services and a big tailwind with the government promoting the usage of UPI and digital payments.

Before entering any space, I do like to ask myself the following question: What is the unfair advantage that my company could potentially have in the space. Straight of the bat, we had access to 3 things

- A public-listed NBFC efficiently managed by my co-founder, Diksha, who had a solid lending background with HDFC
- My technology background
- Decent capital base to take this off the ground

The big question was: What role should we play in the ecosystem? Most fintech companies we came across were in the lending space. At this point, we began doing 2 things

1. A pilot of providing unsecured loans. The goal here was to get our hands dirty and learn the nuts and bolts of lending. We did this in 2 spaces
 - Unsecured personal loans
 - Loans for customers buying goods and services at the point of sale. This is what the industry calls subvention loans
2. I started speaking to as many fintech lending founders I could connect with. I was relentless and reached out through LinkedIn messages, emailing their customer support and getting introductions through common connections. The goal was to learn from their experiences and understand what's working and what's not

Insights

It took us almost 7 months into doing the above 2 things to have the following insights

1. We had no unfair advantage when it came to doing direct lending
2. At least 20 other fintechs were offering the same products to customers like us. I found no reason why we would be able to do a better job.
3. Financial services as a whole was going to be huge. Every company where any kind of transaction is taking place would, over the next 10 years, build a financial service vertical. The reasons were apparent:
 - They had better access to proprietary data and cash flows of the borrower. Other lenders could not have that
 - It would encourage participants to grow their business on the platform. A win-win scenario made possible by powering their growth through capital
 - It would build another powerful channel of revenue for the company
 - It would inspire loyalty within their existing workforce and attract more folks to build a robust supply-side pool
 - They could provide a user experience which is far more superior than traditional lenders
 - There would be multiple digital lenders in the industry of all shapes and sizes focused on different verticals
- 4) The demand for credit was insatiable
- 5) The industries biggest pain point was the infrastructure
- 5a) Lack of tech-first NBFC's to partner with

- Traditional lenders were not interested in partnering with fintechs in a meaningful way. The opportunity was just not enticing enough for them
- Even if they agreed to partner there was absolutely no flexibility to build innovative products and the technology integration took 6–8 months

5b) The whole industry was building the same tools again and again because there were no solid and affordable white-labelled technology solutions that they could use

The infrastructure point stayed with me. Unless this was solved, it was very difficult for cutting edge and innovative fintechs to be built. At this point, we asked ourselves whether we wanted to be one of the many digital lenders or build a platform that powered the next generation of fintechs. Being a technologist, the answer was clear to me. Many people could do lending better than us but when it came to building a highly scalable world-class technology platform, I backed myself to do a great job at it. We immediately stopped any direct lending of our own. We did not want to compete with digital lenders.

Our mission became clear: Build the ‘AWS of Lending’. Our mantra was simple: Enable any company to begin offering digital loans in under 48 hours.

Building plug and play API's

The journey began to build the ‘AWS of Lending’.

This required modularising and breaking down every aspect of digital lending into easily accessible API's. This included

- Customer acquisition tools
- Consumer-facing app
- Plug and Play NBFC API's
- Credit underwriting API's
- Credit bureau rule engine
- Alternate data from smartphones
- Alternate data from external data points
- Fraud Check API's
- Digital KYC API's
- Compliance and Regulatory checks
- Digital Loan agreements
- Credit Insurance API's
- Loan Management System
- All existing LMS systems are built for traditional lenders and are unfortunately priced as such. Unaffordable and overkill for fintechs
- And Honestly, their user experience sucks. It's overly complicated and bloated with non-essential features
- Disbursement API's
- Credit bureau Reporting
- Collection API's
- Loan Securitisation
- Asset reconstruction i.e. selling your bad loans
- Capital to grow your business as you scale

The above pretty much describes the Operating System of Digital Lending.

Over the long horizon of time, our goal is to build all these offerings such that they were easily accessible through a plug and play API on the Apollo Platform.

We are doing this through a combination of both internal and external products all integrated together seamlessly on the Apollo platform. Our goal is not to reinvent the wheel but make it all work smoothly together on a single platform so that fintechs don't have to struggle with multiple integration partners and figuring out what is best in class. Apollo is a curated platform containing both internal and external products that have been tested thoroughly by us at scale.

Working with 30+ fintechs in the country gives us a unique position in the value chain. Every week there's something new being built on our platform by our fintech partners who are always pushing the envelope on what's possible. Our scale coupled with a constant feedback loop from fintech's helps us iterate faster and build a robust platform.

What's next?

As we keep building the Apollo Infrastructure, it will get more and more easier to launch digital lending verticals for a company. The barriers to entry will drop. Just like AWS has made it possible to launch internet apps in a matter of hours. This will open the flood gates to innovation. This infrastructure is not only useful for new-age fintechs but also existing traditional lenders whose DNA is not technology. They are stuck with frustrating software built 20 years in the past giving them little to no flexibility. Our plug and play stack will allow them to be far more nimble and open to new age products and customer experiences. Apollo will be the platform to build the future of digital lending not only for cutting edge internet companies but also for traditional lenders.

It's been a crazy time to be in the digital lending space over the last few months. The Yes bank debacle, COVID 19 virus and the RBI moratorium have hit the industry hard. The repayments are likely to be poor during these times. This will end up wiping out probably 25%-30% of the digital lenders today. The First loss guarantee clauses will kick in which will render many of them insolvent. As one of our fintech's founder said the other day, lending is not for the fainthearted. Traditional lenders post this are going to be even more reluctant to work with Fintechs and probably focused on solving their internal issues. It's not all bad news though. If a digital lender can somehow survive this time, there is a large opportunity at the end of the tunnel with a huge demand and significantly lower competition. It's all about reaching the other side. Stay strong!

With my best wishes. And my prayers that you and your family stay safe.

Yours sincerely,

**Sd/-
Mikhil Innani
Chairman**

NOTICE TO THE 34TH ANNUAL GENERAL MEETING

Notice is hereby given that the 34th Annual General Meeting of **Apollo Finvest (India) Limited** will be held on **Thursday, December 3, 2020 at 11.30 A.M.** through Video Conferencing('VC')

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss Account and the Cash Flow Statement along with the notes and Schedules for the year ended on that date together with the Report of Directors' and Auditors' thereon.

“**RESOLVED THAT** the audited financial statements including the Audited Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss Account and the Cash Flow Statement along with the notes and Schedules for the year ended on that date and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

SPECIAL BUSINESS:

2. **APPOINTMENT OF MS. DIKSHA NANGIA AS A WHOLE TIME DIRECTOR OF THE COMPANY:**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**;

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or enactment thereof), the approval of members be and is hereby accorded to appoint Ms. Diksha Nangia (DIN:07380935), Chief Financial Officer as the Whole Time Director of the Company for a term of five consecutive years beginning from 23rd January, 2020 to 23rd January, 2025.

RESOLVED FURTHER THAT any of the Director or Company Secretary of the Company be and are hereby severally authorized as the case maybe, on behalf of the Company, to digitally sign necessary e-forms and do all such acts, deeds and things which are necessary and incidental in order to give effect to this resolution.”

3. **REVISION IN REMUNERATION OF MS. DIKSHA NANGIA AS A WHOLE TIME DIRECTOR:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 197(1) and 198 of the Companies Act, 2013 (the “Companies Act”) read with Section II, Part II of Schedule V of the Companies Act, 2013, Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee, the approval of the members of the Company be and is hereby accorded for the remuneration to be paid to Ms. Diksha Nangia as a Whole Time Director of the Company during the period from 1st February, 2020 to 23rd January, 2023 on such terms, conditions and remuneration as mentioned hereunder:

I. Remuneration:

Salary: Such amount as may be decided by Board for the payment of remuneration on monthly basis, but subject to the maximum upper limit including perquisites given below shall not exceed Rs. 5,00,000/- per month.

II. Perquisite:

- i. Leave Travel Allowance for Ms. Diksha Nangia and her family once in a year in accordance with Company Policy.
- ii. Ms. Diksha Nangia is entitled for Reimbursement of all medical expenses incurred (including premium on Medical Insurance, Hospitalisation, Nursing Home, Nursing, Dental and Optical treatment expenses) for Ms. Diksha Nangia subject to a ceiling of one-month salary in a year or three months in a block of three years.
- iii. Contributions to Provident Fund, Superannuation Fund, Annuity Fund. The said contributions will not be included in the computation of ceiling on perquisites to the extent these either single or put together are not taxable under the Income-Tax Act.
- iv. Use of car & telephone at her residence for business purposes of the Company.

III. Ms. Diksha Nangia shall be subject to retirement by rotation during her tenure as the Whole Time Director of the Company.

IV. Termination: The above contract of employment can be terminated by either side by giving three months' notice in writing.

RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee be and are hereby severally authorized to revise, amend, alter and vary the terms of appointment and remuneration of Ms. Diksha Nangia so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Ms. Diksha Nangia, any further reference to the shareholders as to maximum limit to be decided in general meeting and subject to the Articles of Association of the Company.

RESOLVED FURTHER THAT where in any financial year, during the tenure of Ms. Diksha Nangia as a Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as decided by the Board of Director, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT any of the Director or Company Secretary of the Company be and are hereby severally authorized as the case maybe, on behalf of the Company, to digitally sign necessary e-forms and do all such acts, deeds and things which are necessary and incidental in order to give effect to this resolution."

4. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Akash Valia (DIN-07358796), who was appointed by the Board of Directors as an Additional Director of the Company with effect from January 30, 2020 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 16 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, the appointment of Mr. Akash Valia (DIN-07358796), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect, be and is hereby approved as an Independent Director of the Company, not liable to retire by rotation, for a term of 5(Five) consecutive years commencing from January 30th, 2020 to January 30th, 2025.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including fillings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

**By Order of the Board of Directors,
Apollo Finvest (India) Limited**

**Date: 5th November, 2020
Place: Mumbai**

**Sd/-
Mikhil R. Innani
Managing Director
DIN: 02710749**

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 5th May, 2020, and Circular No. SEBI/HO/CFD/ CMD1/ CIR /P/ 2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), physical attendance of the members to the AGM venue is not required and Annual General Meeting (AGM) be held through Video Conferencing (VC) or Other Audio Visual means (OAVM). Hence, the forthcoming 34th AGM of the Company scheduled on Thursday, 3rd December, 2020 held through VC/OAVM. Hence, the members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, read with MCA General Circular No. 20/2020 dated 5th May, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this 34th AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend AGM through VC/OAVM and participate and cast their votes through e-voting. Accordingly, in terms of the MCA circulars and the SEBI circular, the proxy form, attendance slip and route map of AGM are not annexed to this Notice.
3. The members can join the 34th AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice of AGM. The facility of participation at the 34th AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April, 2020, the Notice calling the 34th AGM has been uploaded on the website of the Company at www.apollofinvest.com. The Notice can also be accessed from the website of the BSE Limited at www.bseindia.com and on the website of CDSL (agency for providing the Remote e-Voting facility) at www.evotingindia.com
6. Corporate Members intending to send their authorized representative to attend the Meeting are requested to submit a duly certified copy of the Board Resolution/ Power of Attorney/other valid authority, authorising their representative to attend and vote along with specimen signature of Authorised representative(s) by e-mail to info@apollofinvest.com before the commencement of the meeting.
7. In case of joint holders attending the AGM, the member whose name appears as the first holder in the order of names as per Register of Member will be entitled to vote, provided the votes are not already cast by remote e-voting.
8. All documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the company during the business hours on all working days except Saturday and Sunday up to the date of the 34th Annual General Meeting.
9. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 27th November 2020 to Thursday, 3rd December, 2020 (both days inclusive).
10. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
11. Members who would like to express their views/ask question during the AGM may register themselves as a speaker by sending their request, mentioning their name, Demat account no./Folio No., email id, mobile number at info@apollofinvest.com between 26th November, 2020 at 9:00 a.m. to 1st December, 2020 at 5:00 p.m. The shareholders who do not want to speak during the AGM but have queries may send their queries mentioning their name, Demat account no./Folio No., email ID, mobile number to info@apollofinvest.com. These queries will be suitably replied to by the company by email
12. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting for a maximum time of 3(three) minutes each, once the floor is open for shareholder queries. The company reserves the right to restrict the number of speaker and number of questions depending on the availability of time for the AGM.
13. In accordance with MCA Circulars dated 8th April, 2020 and 13th April, 2020 and SEBI Circular dated 12th May, 2020 due to COVID-19 pandemic, the Notice of 34th AGM along with the Annual Report for 2019-2020 inter alia indicating the process and manner of remote e-voting and voting through Video Conferencing is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company's Registrar & Share Transfer Agents, System Support Services ("RTA") / Depositories. Members may note that the Notice of the AGM along with the Annual Report 2019-2020 is also available for download on the website of the Company at www.apollofinvest.com and on the websites of the BSE Limited at www.bseindia.com.
14. For receiving all communication (including Notice and Annual Report) from the Company electronically:
 - (a) Members holding shares in physical mode and who have not registered/ updated their email addresses with the Company/ RTA are requested to register/ update the same by writing to the Company/ RTA with details of their folio

number and attaching a self-attested copy of the PAN Card at info@apolloinvest.com or to the Company's RTA at rnt.helpdesk@linkintime.co.in

(b) Members holding shares in dematerialised mode are requested to register/ update their email addresses with the relevant Depositories

15. Members will be able to attend the meeting through VC/ OAVM or view the live webcast by logging on to the e-voting website of CDSL at www.evotingindia.com by using their e-voting login credentials. On this page, click on the link Shareholders / Members, the Video Conferencing/ webcast link would be available.
16. During During Financial Year 2019-2020, the Securities and Exchange Board of India ('SEBI') and the Ministry of Corporate Affairs ('MCA') has mandated that existing Members of the Company who hold securities in physical form and intend to transfer their securities after 1st April, 2019, can do so only in dematerialized form. Further, SEBI has vide Circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September 2020 have extended the deadline for re-lodgement of transfer lodged prior to deadline of 1st April, 2019 and rejected/returned due to deficiency in the documents to 31st March, 2021 Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialized form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer, if required. Shareholders can write to the Company at info@apolloinvest.com or contact the Registrars and Transfer Agent – M/s. Linkintime India Pvt Ltd at rnt.helpdesk@linkintime.co.in and 022-49186000 for assistance in this regard.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.
18. The shares of the company are listed on BSE Limited.
19. In view of Circular issued by the SEBI for appointing common agency the Company has appointed M/s. Link Intime India Private Limited as Registrar & Transfer Agent. Members are therefore requested to send their grievances for early disposal at the address given below:

Link Intime India Private Limited

C-101,247 Park, L.B.S. Road,

Vikhroli (West), Mumbai- 400083

TEL: 022-49186270/ 49186260

E-mail:- rnt.helpdesk@linkintime.co.in

20. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the company at the address given above and in case their shares are held in Demat, this information should be passed on directly to their respective Depository Participants and not to the company.
21. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in their address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the depository participant(s) and holdings should be verified.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

THE PROCEDURE/INSTRUCTIONS FOR E-VOTING ARE AS UNDER:-

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on 30th November 2020 at 09.00 A. M. and ends on 2nd December 2020 at 05.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date (record date) of 26th November, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on "Shareholders" module.
- iv. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c) Members holding shares in Physical Form should enter Folio number registered with the Company OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- v. Next enter the Image Verification as displayed and Click on Login.
vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
vii. If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
xi. Click on the EVSN for the relevant <Apollo Finvest (India) Limited> on which you choose to vote.
xii. On voting page, you against option On the will see "RESOLUTION DESCRIPTION" and the same the "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote
xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
xvii. If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
xviii. **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
xix. Note for Non Individual shareholders and Custodians
 - Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to www.evotingindia.com and register themselves as Corporate and custodians respectively.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

- f. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- xx. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- xxi. The Board of Directors has appointed Shri. Prabhat Maheshwari, Partner, GMJ & Associates, Company Secretaries, Mumbai as the Scrutinizer for conducting the remote e-voting and voting process at AGM in a fair and transparent manner.
- xxii. The Scrutinizer’s Report shall be placed on the Company’s website www.apolloinvest.com and on the website of CDSL within 48hours of the conclusion of the AGM of the Company and communicated to the Stock Exchanges.
- xxiii. The members are requested to:
- Intimate to the Registrars / Company, changes if any, in their registered address at an early date along with the pin code number;
 - Quote Registered Folio / Client ID & DP ID in all their correspondence;
 - Dematerialize the shares held in physical form at the earliest as trading in the Equity Shares of the Company shall be only in dematerialized form for all the investors.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
- ii. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed.
- iii. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- iv. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- v. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:-

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- iii. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- iv. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)**

ITEM NO. 2:

In accordance with the provisions of Section 196, 197, 198 read with Schedule V of the Companies Act, 2013 and regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors have proposed that Ms. Diksha Nangia, Chief Financial Officer of the Company be appointed as Whole Time Director on the Board, whose office shall be liable to retire by rotation.

BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Name	Diksha Nangia
Profile	Diksha Nangia, as Chief Financial Officer of Apollo Finvest (India) Limited, leads an internet first pure play transactional NBFC. She has eight plus years of experience of building financial models and managing credit risk products at scale. At Apollo, she is building a robust risk monitoring platform that will enable any Company to build its own, modern and scalable financial product. Prior to Apollo Finvest (India) Limited, Diksha managed credit at HDFC Ltd. (India's largest mortgage lender) and built large financial models in the ING Vysya's investments team. Diksha is a CFA Charter holder who holds an MBA in finance from NMIMS and a Bachelor's degree from Mumbai University.
Age	31
Date of first appointment on the Board	9 th August, 2019
Qualifications	CFA Charter holder, MBA in finance
Expertise in specific functional areas	Financial Sector
Directorship of other Companies	2
Chairman / Member of the Committees of the Board of the Companies in which he / she is a Director	Nil
Shareholding of the Director in Apollo Finvest (India) Limited (Number of Shares)	0
Relationship between directors inter-se	Wife of Managing Director and CEO of Company

The Board recommends the passing of Special Resolution as set out in the Item No. 2 of the Notice for approval of the members.

None of the Directors except Mr. Mikhail Innani, Managing Director and promoter and their relatives is concerned or interested, financial or otherwise, in the resolution. The Board recommends the resolution set forth in Item No.2 for the approval of the members.

ITEM NO. 3

Based on the recommendation of the Nomination and Remuneration Committee and Board of Directors, it has been decided to revise remuneration to be paid/payable to Ms. Diksha Nangia, CFO and Whole Time Director of the Company, subject to the approval of members/shareholders by way of Special Resolution.

Accordingly, the Board of Directors at its Meeting held on 23rd January, 2020 felt it prudent to approach the Members of the Company seeking their approval by way of special resolution to revise the remuneration payable to the aforesaid managerial personnel.

Having regard to the above, the resolution set out at item No. 3 have been proposed and the Board of Directors recommended the same for your approval based on the recommendation of Nomination and Remuneration Committee.

I) General Information

1. Nature of Industry: Non – Banking Financial Company (NBFC)
2. Date of commencement of commercial production: Being a NBFC not applicable
3. Financial Performance based on given Indicators:

Based on Audited Statement of Accounts for the year ended 31st March, 2020

Particulars	Amount in INR
Total Income	28,81,05,155
Net Profit after Taxation	6,64,36,691
Paid-up Share Capital	3,73,12,080
Reserves & Surplus	21,30,56,727

4. Export Performance and Net Foreign Exchange Collaborations: The Company's products are not exported. The Company has no foreign exchange collaborations.
5. Foreign Investments or Collaborators: Not applicable.

II) Information about the Appointee:
1. Background Details:

Ms. Diksha Nangia, as Chief Financial Officer of Apollo Finvest (India) Limited, leads an internet first pure play transactional NBFC. She has eight plus years of experience of building financial models and managing credit risk products at scale. At Apollo, she is building a robust risk monitoring platform that will enable any Company to build its own, modern and scalable financial product. Prior to Apollo Finvest (India) Limited, Diksha managed credit at HDFC Ltd. (India's largest mortgage lender) and built large financial models in the ING Vysya's investments team. Diksha is a CFA Charter holder who holds an MBA in finance from NMIMS and a Bachelor's degree from Mumbai University.

2. **Past Remuneration:** Rs. 10,20,000/- as Chief Financial Officer of the Company.

3. Job profile and her suitability:

Ms. Diksha Nangia who is already holding the position of Chief Financial Officer has been appointed as Whole Time Director of the Company. She will be in charge of overall management subject to directions, supervision and control of the Board of the Directors of the Company. Her sincere efforts and dedication has been a major source for the growth of the Company.

Taking into consideration her qualifications and expertise in the relevant fields, she is suited for the responsibilities assigned to her by the Board of Directors

4. Remuneration proposed:

Remuneration is as per recommendations of the Nomination & Remuneration Committee and same has been given in detail in the proposed resolution.

5. Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person:

Considering the size of Company, the profile of Ms. Nangia, the responsibilities shouldered by her and the industry benchmarks, the remuneration proposed to be paid to her is commensurate with the remuneration packages paid to similar appointees in other companies.

Except Mr. Mihkil Innani, Managing Director of the Company, Ms. Diksha Nangia is not related to any of the directors of the Company. Mr. Mihkil Innani is the husband of the appointee. None of the Director of your Company are interested in the above payment except Ms. Diksha Nangia and Mr. Mihkil Innani

The Board, accordingly, recommends the resolution of Item No. 3 of the Notice for the approval of the Member.

ITEM NO. 4:

Mr. Akash Valia was appointed as an Additional Director (Independent capacity) of the Company with effect from 30th January 2020, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company. Your Board proposes to regularize his appointment and appoint him as an Independent Director of the Company under Section 149 and Regulation 16(1)(b) of the Listing Regulations, for one term of Five Years, commencing from 30th January, 2020.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Akash Valia, being eligible for appointment as Independent Director offers himself for appointment, is proposed to be appointed as an Independent Director for one term of five consecutive years from 30th January, 2020 upto 30th January, 2025.

Copy of the draft letter for appointment of Mr. Akash Valia as an Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

Mr. Akash Valia holds an MBA degree from Mannheim Business School in Germany. He has dynamic work experience in the manufacturing industry and e-commerce functions. Currently, he heads the e-commerce division at Wuerth, a leading supplier in the automotive aftermarket industry.

The Board is of the view that the appointment of Mr. Akash Valia as an Independent Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No.4 for approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Akash Valia himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an Ordinary Resolution.

**By Order of the Board of Directors,
Apollo Finvest (India) Limited**

Date: 5th November, 2020

Place: Mumbai

CIN: L51900MH1985PLC036991

Registered Office:

Unit No. 803, Morya Blue Moon, 8th Floor, Veera Desai Industrial Estate,
New Link Road, Opp. Laxmi Industrial Estate,
Andheri (West), Mumbai, Maharashtra, 400053

**Sd/-
Mikhil R. Innani
Managing Director
DIN: 02710749**

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 34th Annual Report along with the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020.

1. FINANCIAL SUMMARY:

Particulars	(Amount in INR)	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Gross Sales and other Income	28,81,05,155	3,69,24,088
Profit before Depreciation and Tax	93,050,340	1,87,70,619
Less: Depreciation	(15,32,373)	(13,97,478)
Profit before Tax	9,15,17,967	1,73,73,141
Less: Tax Expenses	(250,81,276)	(23,14,686)
Net Profit after tax	6,64,36,691	1,50,58,455

2. OPERATIONAL REVIEW:

For the Financial Year ended 31st March, 2020, your Company has earned a profit after tax of Rs. 6,64,36,691/- (Rupees Six Crore Sixty-Four Lakh Thirty Six Thousand Six Hundred and Ninety One Only) as compared to Rs. 1,50,58,455/- (Rupees One Crore Fifty Lakhs Fifty Eight Thousand Four Hundred and Fifty Five Only) in the previous year as a result of which the Net Worth of the Company has increased to Rs. 25,01,72,807.15/- as compared to Rs. 18,43,70,027/- in the Previous Year.

3. CHANGES IN NATURE OF BUSINESS:

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which these financial statements relate and the date of this report.

4. DIVIDEND:

With a view to strengthen the financial position and the future growth of the Company, your Directors have not recommended payment of dividend for the financial year ended 31st March, 2020.

5. RESERVES

As on 31st March, 2020 the reserves and surplus has increased to Rs.21,30,56,727/- as compared to Rs. 14,72,53,947/- achieved during the last year. During the year under review amount transfer to reserve is Rs.6,74,42,709/-

6. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee and to the Chairman & Managing Director of the Company.

7. DEPOSITS:

The Company has not accepted any deposits within the meaning of Section 73(1) and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for time being in force.

8. PARTICULARS OF LOANS, GUARANTEES , SECURITIES OR INVESTMENTS:

Information regarding Loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 is given in detail in the Note "16" of Financial Statements.

9. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013:

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any Statutory modification(s) or re-enactment(s) thereof for the time being in force.

10. STATEMENT ON INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS:

As per Rule 8(5)(iii)(a) of the Company (Accounts) Rules, 2014 the company has received declarations from all the Independent Directors regarding their Integrity, Expertise and Experience.

11. DETAILS OF SUBSIDIARY / JOINT VENTURE/ASSOCIATE COMPANY:

Pursuant to provisions of Companies Act, 2013, the Company does not have any Subsidiary/ Joint Venture and Associate Companies.

12. NUMBER OF MEETINGS OF BOARD AND COMMITTEES:

The details of the meeting of Board of Directors and Committees, convened during the Financial Year 2019-2020 are given in the Corporate Governance Report which forms the part of this Annual Report as “Annexure III”.

13. FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF BOARD, ITS COMMITTEES AND DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued there under, Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the evaluation of the Annual Performance of the Directors/ Board/ Committees was carried out for the Financial Year 2019-2020.

The Details of evaluation process are set out in the Corporate Governance Report which forms the part of this Annual Report.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Ms. Diksha Nangia (DIN No. 07380935), Chief Financial Officer and Non-Executive Director of the Company was appointed as Whole Time Director of the Company for a term of Five years effective from 23rd January, 2020 at the Board Meeting held on 23rd January 2020, subject to the approval of members. The Board recommends appointment of Ms. Diksha Nangia as a Whole Time Director at the ensuing Annual General Meeting of the Company.

Mr. Vishal Shah, Independent Director of the Company resigned on 30th January 2020. The Board accord its appreciation for his valuation contribution towards better corporate governance and growth and development of the company.

Mr. Akash Valia was appointed as an Additional Director (Independent capacity) by the Board of Directors at their meeting held on 30th January, 2020. The Board proposes regularization of appointment of Mr. Akash Valia as an Independent Director for a period of 5(Five) years i.e. from 30th January, 2020 to 30th January, 2025 at the ensuing Annual General Meeting of the Company.

15. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business as per the details given in AOC-2 annexed as Annexure “II”. There are no materially significant related party transactions made by the Company with the Promoters, Key Managerial Personnel or other designated persons which may have potential conflict of interest with the Company at large.

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

A. **Conservation of energy** - Sub-rule 3(A) of Rule 8 of the Companies (Accounts) Rules, 2014 pertaining to the Conservation of energy is not applicable to the Company.

B. **Technology Absorption** - Sub-rule 3(B) of Rule 8 of the Companies (Accounts) Rules, 2014 pertaining to the Technology Absorption is not applicable to the Company.

C. **Foreign exchange earnings and Outgo:** There were no foreign exchange earnings or out flows during the year under review.

17. STATUTORY AUDITORS AND THEIR REPORT:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. GMJ & Co, Chartered Accountants, the Statutory Auditors of the Company were appointed for a term of 5 (Five) years w.e.f. 1st April 2017 to hold office until the conclusion of the 36th AGM of the Company. The Company has received eligibility letter from them that their appointment continues to be in conformity conditions specified in Section 139 of the Companies Act, 2013.

The Audit report submitted by M/s GMJ & Co, Chartered Accountants, for the FY 2019 – 2020 does not contain any qualifications, reservation or adverse remark or disclaimer.

18. SECRETARIAL AUDITORS AND THEIR REPORT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. GMJ & Associates, Practising Company Secretaries, Mumbai to undertake the Secretarial Audit of the Company for the financial year 2020-21.

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a Secretarial Audit Report from M/s. GMJ & Associates, Practising Company Secretaries, Mumbai for the financial year 2019-2020 and the same is annexed herewith to this Report as “Annexure V. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remark.

19. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

All new Independent Directors inducted into the Board attend orientation programme. Further, at the time of appointment of Independent Director, the Company issues a formal letter of appointment outlining his/ her role, functions, duties and responsibility.

20. SHARE CAPITAL AND CHANGES THEREIN:

The paid up equity share capital as at 31st March, 2020 was Rs.37,312,080/- divided into 3,731,208 Equity Shares having face value of Rs. 10/- each fully paid up. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

21. DISCLOSURE OF REMUNERATION PAID TO DIRECTOR, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

- The Company had no employee drawing salary/remuneration in excess of Remuneration limits prescribed as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- The Details with regards to the payment of Remuneration to the Directors and Key Managerial Personnel is provided in Form MGT-9 – Extract of the Annual Return (appended as Annexure “I”).

22. MANAGERIAL REMUNERATION:

The Disclosure pursuant to Rule 5 (1) of the Companies (Appointment of Managerial Personnel) 2014 is as follows:

Name of the Director	Amount of remuneration to Key Managerial Personnel	Percentage increase in the remuneration	Ratio of remuneration of each Director/ to median remuneration of employees
Mr. Akash Valia**	1,032	--	N.A
Mr. Mihhil Innani	1,380,000	24.32%	3.90
Mr. Vishal Shah*	4,968	--	N.A
Mr. Paritosh Khatry	6,000	--	N.A
Dr. Kruti Khemani	6,000	--	N.A
Ms. Diksha Nangia***	1,075,000	5.39%	3.03

*Mr. Vishal Shah was holding the position of Independent Director upto 30th January, 2020.

** Mr. Akash Valia was appointed as an Independent Director from 30th January, 2020.

*** Ms. Diksha Nangia was appointed as Whole Time Director of the Company from 23rd January, 2020

1. The Independent Directors do not receive any remuneration except sitting fees.
2. There was no change in the remuneration of any other Key managerial Personnel or Director.
3. The percentage Increase in the median remuneration of the employees in the financial Year 2019 – 2020 was 44.528% (As compared to Previous year employee's median)
4. As on 31st March 2020, there were a total of 21 employees on the roll of the Company.
5. It is affirmed that the remuneration is as per the remuneration policy of the Company.

23. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of clause (c) of sub-section (3) of section 134 of Companies Act, 2013 Directors, to the best of their knowledge and belief, state that:–

- a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- 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 profit 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 Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud 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 to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- 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.

24. CORPORATE SOCIAL RESPONSIBILITY:

The Company does not fall under the limits as prescribed under Section 135 of Companies Act, 2013 and Rules made thereunder.

25. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has prepared policy and has put in place vigil Mechanism for Directors and Employees of the Company.

26. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The same is also available on website of the Company in detail.

27. EXTRACT OF ANNUAL RETURN:

The extract of annual return as provided under sub-section (3) of section 92 of the Companies Act, 2013, in the prescribed **Form MGT-9** is annexed to this Report as **Annexure "I"**.

28. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS:

In Compliance with Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a separate Report on Corporate Governance is annexed as **Annexure "III"**.

Management Discussion & Analysis Report is annexed herewith in this Report as **Annexure "IV"**.

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

There are no significant and material orders passed by the Regulators/Courts which impact the going concern status of the Company and its future operations.

Further, no penalties have been levied by RBI/any other Regulators during the year under review.

30. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:

There were no material changes affecting the financial position of the Company between the end of the financial year and date of report.

31. REPORTING OF FRAUDS:

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Acts & Rules framed there under either to the Company or to the Central Government.

32. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

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

During the year under review, the Company received one complaint of sexual harassment and the same was resolved by taking appropriate action. There was no complaint pending as on 31st March, 2020.

33. DISCLOSURE ON MAINTENANCE OF COST RECORDS:

Maintenance of Cost Records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the company

34. SECRETARIAL STANDARDS:

The company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

35. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As of 31st March, 2020, the Board had Five members, two of whom are executive directors, Three non-executive and independent member. One of the independent directors of the Board is women. The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website, at www.apollofinvest.com. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

36. LISTING ON STOCK EXCHANGE:

The Company's shares are listed on BSE Limited.

37. ACKNOWLEDGEMENT:

Your Directors wish to extend their sincere gratitude for the assistance, guidance and co-operation, the Company has received from all stakeholders. The Board further appreciates the dedicated services rendered by the employees of the Company.

**For and on behalf of the Board of Directors
Apollo Finvest(India)Limited**

**Place: Mumbai
Date: 5th November, 2020**

**Sd/-
Mikhil R. Innani
Managing Director
DIN: 02710749**

**Sd/-
Akash Valia
Director
DIN: 07358796**

ANNEXURE I
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	Corporate identification number (CIN)	L51900MH1985PLC036991
ii)	Registration Date	29/07/1985
iii)	Name of the Company	APOLLO FINVEST (INDIA) LTD
iv)	Category / Sub Category of the Company	Public Company Non-Banking Financial Company Company limited by shares
v)	Address of the Registered office and contact details	Apollo Finvest (India) Limited Unit No. 803, Morya Blue Moon, 8 th Floor, Veera Desai Industrial Estate, New Link Road, Opp. Laxmi Industrial Estate, Andheri (West) , Mumbai, Maharashtra, 400053 Tel No.:- (022) 62231667 / 62231668 E-mail:- info@apolloinvest.com apolloinvestrel@gmail.com Website:- http://www.apolloinvest.com/
vi)	Whether shares listed on recognized Stock Exchange	Yes, BSE Limited (Code: 512437)
vi)	Name, address and contact details of Registrar and Transfer Agent	Link Intime India Private Limited C-101,247 Park, L.B.S. Road, Vikhroli (West), Mumbai - 400083 TEL: 022 - 49186270/49186260 E-mail:- rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY *(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)*

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Investment in shares / debentures, immovable properties equity mutual funds, debt mutual funds, and giving loans etc	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

As the Company does not have any holding /subsidiary and associate Company, this information is not applicable.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
A) Category-wise Share Holding:

Category Shareholders	of	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change During the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

A. Promoters

	Indian									
a)	Individual/ HUF	26,70,706	636	26,71,342	71.59	26,70,891	451	26,71,342	71.59	0.00
b)	Central Govt.	—	—	—	—	—	—	—	—	—
c)	State Govt.(s)	—	—	—	—	—	—	—	—	—
d)	Bodies Corp.	—	—	—	—	—	—	—	—	—
e)	Banks / FI	—	—	—	—	—	—	—	—	—
f)	Any other	—	—	—	—	—	—	—	—	—
	Total shareholding of Promoter (A)	26,70,706	636	26,71,342	71.59	26,70,891	451	26,71,342	71.59	—
B.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds	—	700	700	0.02	—	700	700	0.02	0.00
b)	Banks / FI	—	600	600	0.0161	—	600	600	0.0161	0.00
c)	Central Govt.	—	—	—	—	—	—	—	—	—
d)	State Govt.(s)	—	—	—	—	—	—	—	—	—
e)	Venture Capital Funds	—	—	—	—	—	—	—	—	—
f)	Insurance Companies	—	—	—	—	—	—	—	—	—
g)	FIs	—	—	—	—	—	—	—	—	—
h)	Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i)	Others (specify)	—	—	—	—	—	—	—	—	—
	Sub-total (B)(1):-	—	1,300	1,300	0.04	—	1,300	1,300	0.04	—

2.	Non-Institutions									
a)	Bodies Corp.									
i)	Indian	39,057	3,590	42,647	1.14	23,396	3,590	26,986	0.72	(0.42)
ii)	Overseas	—	—	—	—	—	—	—	—	—
b)	Individuals	—	—	—	—	—	—	—	—	—
i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	3,60,281	4,55,749	8,16,030	21.87	3,52,501	4,47,468	7,99,969	21.44	(0.43)
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1,10,240	0	1,10,240	2.95	1,16,201	0	1,16,201	3.11	0.16
c)	Others (specify)	—	—	—	—	—	—	—	—	—
i)	Non Resident Indians	14,501	58,992	73,493	1.9697	24,341	58,992	83,333	2.23	0.26
ii)	Overseas Corporate Bodies	—	—	—	—	—	—	—	—	—
iii)	Foreign Nationals	—	—	—	—	—	—	—	—	—
iv)	Clearing Members	555	0	555	0.01	42	0	42	0.01	(0.013)
v)	Trusts	—	—	—	—	—	—	—	—	—
vi)	Foreign Bodies - D R	—	—	—	—	—	—	—	—	—
vii)	Maket Maker	0	0	0	0	0	0	0	0	0
viii)	Hindu Undivided Family	15,601	0	15,601	0.42	32,035	0	32,035	0.86	0.44
	Sub-total (B)(2):-	5,40,235	5,18,331	10,58,566	28.37	5,48,156	5,11,350	10,59,866	28.41	0.00
	Total Public Shareholding									
	(B)=(B)(1)+(B)(2)	5,40,235	5,19,631	10,59,866	28.41	5,48,156	5,11,350	10,59,866	28.41	0.00
C.	Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
	Grand Total (A+B+C)	32,10,941	5,20,267	37,31,208	100	32,19,407	5,11,801	37,31,208	100	—

B) Shareholding of Promoters:

Sr. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	ANJU R INNANI	20,05,994	53.76	--	20,05,994	53.76	--	--
2	MIKHIL R INNANI	6,64,712	17.81	--	6,64,712	17.81	--	--
3	DINESH INNANI	636	0.02	--	636	0.02	--	--
	TOTAL	26,71,342	71.59	--	26,71,342	71.59	--	--

C) Change in Promoters' Shareholding:

Sr. No.	Shareholders Name	Shareholding at the beginning of the year		Date wise increase / (decrease) in promoter shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /bonus / sweat equity etc.)			Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	Date	No. of Shares	Nature	No. of shares	% of total shares of the Company
1.	ANJU R. INNANI	20,05,994	53.76	-	-	-	20,05,994	53.76
2.	MIKHIL R. INNANI	6,64,712	17.81	-	-	-	6,64,712	17.81
3.	DINESH INNANI	636	0.02	-	-	-	636	0.02

D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase/Decrease in Shareholding		Cumulative shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	No. of shares	No. of shares	% of total shares of the Company
1.	JATAN S RATHORE	24308	0.6515	0	0	24,308	0.6515
2	JAYA VRAJESH SHAH	2,0637	0.5531	30.08.2019	185	20,822	0.5580
3	VRAJESH DHIRAJLAL SHAH	17,052	0.4570	05.04.2019	888	17,940	0.4808
				12.04.2019	11	17,951	0.4811
				19.04.2019	1,538	19,489	0.5223
				26.07.2019	610	20,099	0.5387
4	DIVAM SHARMA	15,956	0.4276	06.03.2020	(2,000)	13,956	0.3740
				13.03.2020	(2,000)	11,956	0.3204
5	VIJAYA RAGHAVAN G	14,926	0.4000	20.09.2019	488	15,414	0.4131
				11.10.2019	3,295	18,709	0.5014
				18.10.2019	3,394	22,103	0.5924
				08.11.2019	175	22,278	0.5971
				29.11.2019	7,029	29,307	0.7855

6	GREEN PORTFOLIO PRIVATE LIMITED	12,439	0.3334	05.07.2019	4,645	17,084	0.4579
				06.03.2020	(1,000)	16,084	0.4311
				13.03.2020	(2,000)	14,084	0.3775
7	RAVINDRA VINAYAK BHATAVADEKAR	11,114	0.2979	19.04.2019	3,600	14,714	0.3943
				03.05.2019	206	14,920	0.3999
				18.10.2019	858	15,778	0.4229
				06.12.2019	34	15,821	0.4238
				20.12.2019	68	15,880	0.4526
8	N NAVEEN RAJ	11,000	0.2948	-	-	11,000	0.2948
9	VISHAL VIJAY MUNDHADA	0	0	31.03.2020	10,800	10,800	0.2895
10	VIVEK KUMAR BHAUKA	0	0	31.03.2020	14,128	14,128	0.3786

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Increase/Decrease in the shareholding during the year			Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	No. of shares	Reason	No. of shares	% of total shares of the Company
1	Mikhil R. Innani	6,64,712	17.81%	--	--	--	6,64,712	17.81%

F) Indebtedness
Indebtedness of the Company including interest outstanding/accrued but not due for payment
(Amount in INR)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,00,00,000	2,40,00,000	--	54,00,00,00
ii) Interest due but not paid		-		10,356
iii) Interest accrued but not due		10,356		
Total (i+ii+iii)	3,00,00,000	2,40,10,356	--	5,40,10,356
Change in Indebtedness during the financial year				
• Addition	10,803,193		-	10,803,193
• Reduction		(2,40,10,356)		(2,40,10,356)
Net Change	10,803,193	(2,40,10,356)	--	(13,207,163)
Indebtedness at the end of the financial year				
i) Principal Amount	10,803,193	0	--	10,803,193
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	40,803,193	0	--	40,803,193

G) Remuneration of Directors and Key Managerial Personnel
REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:
(Amount in INR)

Sr. No.	Particulars of Remuneration	Ms Diksha Nangia (Chief Financial Officer & Director(Director w.e.f. 09.08.2019))	Mr. Mihhil R. Innani (Managing Director w.e.f 11.09.2018)	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,075,000	1,380,000	2,455,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission, - as % of profit,			
5.	Others, please specify	-	-	-
	Total (A)	1,075,000	1,380,000	2,455,000
	Ceiling as per the Act			

ii. REMUNERATION TO OTHER DIRECTORS:
(Amount in INR)

Sr. No	Particulars of Remuneration	Name of Directors				Total Amount
		Vishal Shah(Upto 30 th January 2020)	Paritosh Khatry	Kruti Khemani	Akash Valia (With effect from 30 th January 2020)	
1.	Independent Director					
a)	Independent Directors Fee for Attending Board / committee meetings	4,968	6,000	6,000	1,032	18,000
b)	Commission	--	--	--	--	--
c)	Others, please specify	--	--	--	--	--
	Total (1)	4,968	6,000	6,000	1,032	18,000
2.	Other Non-Executive Directors					
a)	Independent Directors Fee for attending Board /committee meetings	--	--	--	--	--
b)	Commission					
c)	Others, please specify					
	Total (2)					
	Total (ii)=(1+2)	4,968	6,000	6,000	1,032	18,000
	Overall Ceiling as per the Act	1,00,000	1,00,000	1,00,000	1,00,000	
		(per meeting)	(per meeting)	(per meeting)	(per meeting)	

iii. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:
(Amount in INR)

Sr. No.	Particulars of Remuneration	Kshama Wazkar (Company Secretary & Compliance Officer upto 8 th July, 2019)	Urvi Rathod (Company Secretary & Compliance Officer from 8 th July, 2019)	Total Amount
1.	Gross salary	(Rs.)	(Rs.)	(Rs.)
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	91,336	2,74,581	3,65,917
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission, - as % of profit,	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	91,336	2,74,581	3,65,917
	Ceiling as per the Act			-

iv. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year, there have been no penalty / punishment / compounding of offences under the Companies Act 2013.

For and on behalf of the Board of Directors
Apollo Finvest(India)Limited

Place: Mumbai
Date: 5th November, 2020

Sd/-
Mikhil R. Innani
Managing Director
DIN: 02710749

Sd/-
Akash Valia
Director
DIN: 07358796

ANNEXURE II

FORM NO. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis: NIL

2. Details of contracts or arrangements or transactions at Arm's length basis:

I. Nature of the contract:

Remuneration to Related Party

Duration of the contracts / arrangements / transaction
Date of approval by the Board:
Amount paid as advances, if any:

: Annual
9th August, 2019 and 11th September, 2018
NIL

Sr No.	Name (s) of the related party & nature of relationship	Salient terms of the contracts or arrangements or transaction including the value, if any (Amount in Rs)
1.	Mikhil Innani(Managing Director)	1,380,000
2.	Diksha Nangia (Chief Financial Officer cum Director (appointed w.e.f. 9th August, 2019)	1,075,000

ANNEXURE III

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Effective corporate governance practices constitute a strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company's philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance. The Company believes that Good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

A Report on Compliance with the principles of Corporate Governance as prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

1. BOARD OF DIRECTORS:

As on 31st March, 2020, the Board comprises of 5 Directors out of which 3 are Independent Directors. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The Board reviews and guides the Company in strategic matters, risk policy, ensures that a transparent nomination process exists for appointment of Directors, oversees the process of Disclosure and communication and oversees the corporate culture to maintain highest standards of ethical conduct and integrity.

Composition and category of Directors:

Name of the Director	Category of Directorship	No. of Directorship in other Public and Private Companies	No. of membership in Committees
Mr. Mikhil R. Innani	Managing Director, Executive	3	2
Mr. Akash Valia	Non-Executive, Independent	0	3
Dr. Kruti Khemani	Non-Executive, Independent	0	3
Mr. Paritosh Khatry	Non-Executive, Independent	0	3
Ms. Diksha Nangia	Non-Executive Director(Whole Time Director w.e.f. 23 rd January, 2020)	2	-

Board Meetings, Annual General Meeting & Directors' Attendance record:

The Board met Nine (9) times during the Year 2019- 2020 and Two(2) Circular Resolution were passed during the FY 2019-20. The dates of meetings are as follows:

Board Meeting & AGM	Mr. Mikhil Innani	Ms. Diksha Nangia	Mr. Vishal Shah*	Mr. Akash Valia*	Mr. Paritosh Khatry	Dr. Kruti Khemani
15 th May, 2019	Present	NA	Absent	NA	Present	Present
8 th July, 2019	Present	NA	Present	NA	Present	Present
5 th August, 2019	Present	NA	Present	NA	Present	Present
9 th August, 2019	Present	NA	Present	NA	Present	Present
11 th September, 2019	Present	Present	Absent	NA	Present	Present
13 th December, 2019	Present	Present	Absent	NA	Present	Present
23 rd January, 2020	Present	Present	Absent	NA	Present	Present
30 th January, 2020	Present	Present	Present	NA	Present	Present
7 th February, 2020	Present	Present	NA	Present	Present	Present

*Mr. Akash Valia appointed as Additional Director of the Company w.e.f 30th January, 2020

*Mr. Vishal Shah resigned as Independent Director w. e. f. 30th January, 2020

Code of Conduct

The Company has framed a code of conduct for the members of the Board of Directors and Senior Management personnel of the Company. A certificate from the Managing Director affirming compliance of the said Code by the Board Members and Senior Management personnel is annexed separately to this report.

2. COMMITTEES OF THE BOARD:

The Committees constituted by the Board of Directors of the Company function in accordance with the framework and terms of reference assigned to them by the Board, in accordance with the provisions of Companies Act, 2013 read with Rules issued thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

a) Audit Committee:

As required under Section 177 of the Companies Act, 2013 read with the provisions of the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted Audit Committee.

All the major recommendations made by the Audit Committee were accepted by the Board. All the members of the Committee are financially literate. The Composition of the Audit Committee meets the requirements of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant, statutory/regulatory provisions.

Given below are the details of the Audit Committee Meetings held during the year and attendance of the Directors in the same.

Name of the Members	Mr. Vishal B. Shah*	Dr. Kruti Khemani	Mr. Paritosh Khatri	Mr. Akash Valia*	Mr. Mikhail Innani
Designation/ Date of Committee Meeting	Non-Executive, Independent Director	Non-Executive, Independent Director	Non-Executive, Independent Director	Non-Executive, Independent Director	Executive, Non - Independent Director
15 th May, 2019	Absent	Present	Present	NA	Present
11 th September, 2019	Absent	Present	Present	NA	Present
13 th December, 2019	Absent	Present	Present	NA	Present
7 th February, 2020	NA	Present	Present	Present	Present

*Mr. Akash Valia appointed as Additional Director of the Company w.e.f 30th January, 2020

*Mr. Vishal Shah resigned as Independent Director w. e. f. 30th January, 2020

b) Stakeholders Grievance Committee:

As required under Section 178 of the Companies Act, 2013 read with the provisions of the Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted Stakeholders Grievance Committee.

The Committee oversees the performance of the Company's Registrar & Share Transfer Agents, M/s. Link Intime India Pvt Ltd. and recommends the measures for overall improvement of the quality of Investor Services. In order to expedite the process of Share Transfer, the Board has delegated the same to the Registrar & Share Transfer Agents and share transfer formalities are approved by them on a fortnightly basis.

All the major recommendations made by the Stakeholders Grievance Committee were accepted by the Board.

Given below are the details of the Stakeholders Grievance Committee Meetings held during the year and attendance of the Directors in the same.

Name of the Members	Mr. Vishal B. Shah*	Dr. Kruti Khemani	Mr. Paritosh Khatry	Mr. Akash Valia*	Mr. Mikhail Innani
Designation/ Date of Committee Meeting	Non-Executive, Independent Director	Non-Executive, Independent Director	Non-Executive, Independent Director	Non-Executive, Independent Director	Executive, Non - Independent Director
19 th April, 2019	Absent	Present	Present	NA	Present
5 th July, 2019	Absent	Present	Present	NA	Present
24 th October, 2019	Absent	Present	Present	NA	Present
6 th January, 2020	Absent	Present	Present	NA	Present

*Mr. Akash Valia appointed as Additional Director of the Company w.e.f 30th January, 2020

*Mr. Vishal Shah resigned as Independent Director w. e. f. 30th January, 2020

During the year, no shareholder's complaint was received. Therefore, as on 31st March, 2020, no complaint remained to be resolved. There were no share transfers pending for registration for more than 30 days.

c) Nomination & Remuneration Committee and Policy:

As required under Section 178 of the Companies Act, 2013 read with the provisions of the Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted a Nomination & Remuneration Committee.

The broad terms of reference of the Nomination & Remuneration Committee is to formulate the criteria for determining qualifications, positive attributes and independence of a Director and to ensure that the remuneration practices of the Company in respect of the Senior Executives including the Executive Directors are competitive keeping in view the prevalent compensation packages so as to recruit and retain suitable individual(s) in such capacity.

Remuneration paid to the Managing Director of the Company is recommended by the Nomination and Remuneration Committee, approved by the Board and is within the limits set by the shareholders at the General Meetings.

All the major recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

Name of the Members	Mr. Vishal B. Shah*	Dr. Kruti Khemani	Mr. Paritosh Khatry	Mr. Akash Valia*
Designation/ Date of Committee Meeting	Non- Executive, Independent Director	Non- Executive, Independent Director	Non- Executive, Independent Director	Non- Executive, Independent Director
8 th July, 2019	Present	Present	Present	NA
5 th August, 2019	Present	Present	Present	NA
9 th August, 2019	Present	Present	Present	NA
23 rd January, 2020	Present	Present	Present	NA
30 th January, 2020	Present	Present	Present	NA

*Mr. Akash Valia appointed as Additional Director of the Company w.e.f 30th January, 2020

*Mr. Vishal Shah resigned as Independent Director w. e. f. 30th January, 2020

The Board has adopted a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and also formulated criteria for determining qualifications, positive attributes and independence of a Director.

Independent Directors Meeting:

During the year under review, the Independent Directors met on 14th February, 2020, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

- ii) Evaluation of the performance of the Managing Director of the Company, taking into account the views of the Executive and Non - Executive Directors.
- iii) Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

Formal Annual Evaluation:

The Board of Directors carried out an annual evaluation of its own performance, Board Committee and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The Board's functioning was evaluated on various aspects, including inter-alia structure of the Board, including qualifications, experience, competency of Directors, diversity of the Board, meetings of the Board including regularity and frequency, logistics, agenda, discussion and dissent, recording of Minutes, dissemination of information, functions of the Board; including role and responsibilities, strategy and performance evaluation, governance and compliance, evaluation of risks, grievance redressal of Investors, conflict of interest, stakeholder value and responsibility, corporate culture and values, review of Board evaluation, facilitation of independent directors, evaluation of management's performance and feedback, Independence of the management from the Board, access of the management to the Board and Board's access to the management, secretarial support, fund availability, succession plan and professional development.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, structure of the Committee and Meetings, Independence of the Committee from the Board and contribution to decisions of the Board.

The Board and the Nomination & Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees

3. GENERAL BODY MEETINGS:

- a) The particulars of the last three Annual General Meetings are given hereunder:-

Year	Date	Venue	Time	Ordinary/Special resolution passed
2016-17	Wednesday, 27 th September, 2017	Golden Gate Banquet, Prime Business Park, Shop No. 2, D. J. Road, Vile Parle (West) Near Railway Station, Mumbai-400 056	11.30 A.M.	1. Approval of Audited account for the year ended 31 st March 2017 2. To Appoint M/s. GMJ & Co., Chartered Accountant as the Statutory Auditor of the Company
2017-18	Tuesday, 11 th September, 2018	Golden Gate Banquet, Prime Business Park, Shop No. 2, D. J. Road, Vile Parle (West) Near Railway Station, Mumbai-400 056	11.30 A.M.	1. Approval of Audited account for the year ended 31 st March, 2018 2. Alter the Object Clause of Memorandum of Association. 3. Adopt new Memorandum of

				<p>Association as per the Companies Act, 2013.</p> <p>4. Approve Borrowing Limits of the Company under Section 180 (1)(c).</p> <p>5. Appoint Kruti Khemani as an Independent Director</p> <p>6. Appoint Paritosh Khattry as an Independent Director.</p> <p>7. Regularization of appointment of Mr. Mikhil Innani as MD and CEO.</p>
2018-19	Thursday, 26 th September 2019	Golden Gate Banquet, Prime Business Park, Shop No. 2, D. J. Road, Vile Parle (West) Near Railway Station, Mumbai-400 056	11.30 A.M.	<p>1. Approval of Audited account for the year ended 31st March, 2019</p> <p>2. Approve Increase in Borrowing Limits of the Company under Section 180 (1)(c).</p> <p>3. Approval of Appointment of Ms. Diksha Nangia as Non-Executive Director.</p> <p>4. Approval of revision in remuneration payable to Mr. Mikhil Innani, Managing Director of the Company</p>

b) Postal Ballot:

Pursuant to Section 110 of Companies Act, 2013 read with Rules framed thereunder, none of the Resolutions were passed by the Board by means of Postal Ballot.

4. MEANS OF COMMUNICATION:

- The quarterly, half yearly and annual results of the Company are published in newspapers in compliance of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Generally, the same are published in Financial Express (English language) or Active Times (English language) and Lakshwadeep (Marathi language).
- The Company informs the Stock Exchange of all price sensitive matters or such other matters which are material and of relevance to the shareholders.

5. DISCLOSURES:

- Related Party Transaction: There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. However, in terms of Accounting Standard AS-18, details of Related Party Transactions during the year have been set out in Note-28 annexed to the Balance Sheet and Profit and Loss Account.
- Compliance by the Company: There is no non - compliance by the Company or any penalties, structures imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets, during the last three years.
- Whistle Blower Policy: The Company has established the requirement of Whistle Blower Policy. However, the Company's personnel have access to the Chairman of the Audit Committee in cases which concern unethical behavior, frauds and other grievances.
- All the mandatory requirements are duly complied with.

6. CEO/ CFO CERTIFICATION:

As required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CFO certificate for the Financial Year 2019- 2020 signed by Ms. Diksha Nangia, CFO was placed before the Board of Directors of the Company.

7. GENERAL SHAREHOLDER'S INFORMATION:

I. Details of Annual General Meeting of Shareholders

Date: 3rd December 2020
 Time: 11.30 A.M.
 Venue: Through Video Conferencing

II. Financial Calendar (tentative)

Calendar of Quarterly Results for the financial year 2019-20 are as follows:

Name of the Quarter/ Half year	Due date for the compliance
Quarter ending 30 th June, 2019	On or before 15 th August, 2019*
Quarter/Half year ending 30 th September, 2019	On or before 15 th November, 2019*
Quarter ending 31 st December, 2019	On or before 15 th February, 2020
Quarter/Year ending 31 st March, 2020	On or before 30 th May, 2020**

*As per Clause 2.6.1.(i) of SEBI Circular dated 5th July, 2016 bearing Circular No. CIR/CFD/FAC/62/2016, the Company was in transition period of adoption of Financials as per Indian Accounting Standard (Ind-AS) for the quarter ended 30th June, 2019 from IGAAP, the Financial Result for the quarter ended 30th June, 2019 and for the quarter and half year ended 30th September, 2019 was approved by the board of directors of the Company at its meeting held on 11th September, 2019 and 13th December 2019 respectively.

**Further, due to the Covid 19 pandemic, the SEBI has vide it circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/106 dtd 24th June, 2020 has further extended the timeline for submission of financial result for the quarter and year ended 31st March, 2020 to 31st July, 2020 therefore the Financial Result for the quarter and year ended 31st March, 2020 was approved by the board of directors of the Company at its meeting held on 30th June, 2020..

III. Details of book closures & Stock Exchange in which the Company is listed:

- Dates of book closures: 27th November, 2020 to 3rd December, 2020
 - Name of the Stock exchange: BSE Limited
 - Stock Exchange Code: 512437
 - Demat ISIN No. in NSDL & CDSL: INE412D01013
- Listing fee for the year 2019-20 has been paid to the Stock Exchange.
 - Market Price Data: High / Low price during each Month of 2019-20 on BSE Limited are as under:

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli.Qty to Traded Qty
Apr, 2019	63.05	69.90	57.25	57.25	11,635	129	7,18,498	9,393	80.73
May, 2019	54.45	57.75	45.05	55.00	8,352	72	4,22,653	7,915	94.77
Jun, 2019	55.00	55.00	45.00	50.20	4,170	68	2,01,367	3,638	87.24
Jul, 2019	47.75	54.50	39.05	44.85	25,339	158	11,58,718	18,716	73.86
Aug, 2019	42.65	47.00	34.30	36.10	6,535	81	2,52,560	5,188	79.39
Sep, 2019	34.30	59.15	34.30	59.05	8,938	138	4,29,774	7,627	85.33
Oct, 2019	62.00	70.20	56.40	67.80	22,122	227	13,89,499	19,561	88.42
Nov, 2019	71.15	81.45	60.00	81.45	28,193	336	20,23,154	25,466	90.33
Dec, 2019	85.50	148.40	85.50	148.40	40,533	551	47,84,778	36,574	90.23
Jan, 2020	151.35	233.25	151.35	233.25	30,049	263	56,35,263	29,842	99.31
Feb, 2020	237.90	346.05	237.90	346.05	38,024	359	1,20,72,624	38,024	100
Mar, 2020	352.95	405.20	318.45	318.45	35,205	477	1,33,78,901	35,205	100

9. SHARE TRANSFER SYSTEM AND OTHER RELATED MATTERS

- **Registrar and Share Transfer Agent:**

For both physical & demat segments

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Road,
Vikhroli (West), Mumbai 400083
TEL: 022 49186270/49186260
FAX: 022- 4918 6060

- **Share Transfer System**

Shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. The total number of shares transferred in physical form during the year 2019 - 20 was 1,937 shares.

- **Dematerialization of shares and liquidity:**

The Company has established required connectivity with Central Depository Services (India) Limited and National Securities Depository Limited and the same are available in electronic segment under ISIN No. INE412D01013. 32,19,407 Equity Shares representing 86.28% have been dematerialized as on 31st March, 2020.

- **Distribution of Shareholding as on 31st March, 2020:**

No. of Equity shares held	No. of Shareholders	% of Shareholders	No. Of Shares held	% of Shareholding
1 – 500	4517	95.0114	5004940	13.4317
501 - 1,000	127	2.6398	1046450	2.8046
1,001 - 2,000	54	1.1224	833120	2.2328
2,001 - 3,000	22	0.4573	551540	1.4782
3,001 - 4,000	6	0.1247	207420	0.5559
4,001 - 5,000	3	0.0624	146960	0.3939
5,001 - 10,000	17	0.3534	1248370	3.3458
10,001 & Above	11	0.2286	28273280	75.7715
Total	4811	100	37312080	100

- **Categories of Shareholding as on 31st March, 2020:**

Category	Shareholders Number	Shares	
		Number	% to Capital
Promoters, Relatives of Directors	6	26,71,342	71.59
Banks, Financial Institutions	1	600	0.02
Insurance Companies, Mutual Funds & UTI	1	700	0.02
Bodies Corporate	32	26,986	0.72
NRIs / OCBs	76	83,333	2.23
Indian Public (HUF)	25	32,035	0.858
Others	4,670	9,16,212	24.84
Total	4,811	3,731,208	100

- **Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on Equity:**

There is no GDR/ADR/Warrant or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

- **Address for Correspondence:**

LINK INTIME INDIA PRIVATE LIMITED,
C-101,247 Park, L.B.S. Road,
Vikhroli (West), Mumbai- 400083
TEL: 022-49186270/ 49186260 FAX: 022- 4918 6060

ANNEXURE IV

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Directors of **APOLLO FINVEST (INDIA) LIMITED** are pleased to present the Management Discussion & Analysis (“MD & A”) Report for the Year Ended 31st March, 2020. Your Company is engaged in providing financial assistance independently or in association with any person or any other agencies, whether incorporated or not, in the form of lending or advancing money by way of loan(including long term loan), working capital finance.

BUSINESS OUTLOOK

In the present era of digital revolution, technology has been leaving its indelible mark in several areas, including finance. These financial products will be offered based on user data and have gathered on the basis of the user’s actions on its platform. Over the last 3 years of working in the fintech ecosystem, we at Apollo have had the opportunity and privilege to work with 50+ fintechs on a variety of digital lending products.

- Through this journey, we had the following insights and experiences;

The fintech ecosystem lacks a base layer technology infrastructure which is dependable and world-class 🤖

This results in most fintechs having to either build basic tools again and again or use sub-par platforms meant for traditional lending 🙄

A prime example of this is the Loan Management System (LMS) for digital lending

Every fintech we worked with either

- Used Excel sheets or
- Built an LMS from the ground up or
- Adopted a sub-par external LMS meant for traditional lending 😬

- One of the problems we had at Apollo was that in order to work with a wide gamut of fintechs and support all their products we needed a world-class highly customisable LMS which was built to be digital lending first 😞

- After a few demo’s and scouring the market for options we realised, all external LMS’s had the following problems

- Meant for traditional Lending 🐢
- Extremely complicated
- Insane pricing meant for large banks and NBFC’s with books of over 500cr
- Prevented cloud-based access and required active infrastructure management
- Lacked flexibility in the loan products and workflows they supported
- Lacked third-party integrations with the most popular third-party service providers like payment gateways, KYC providers etc required for digital lending

- This meant, we had to build an LMS from the ground up and it had to solve all the above problems if we were to be successful in working with and supporting a variety of fintechs. And we did just that! 🙌

- Over the last 3 years, we have built, iterated, scaled with Sonic across 50+ fintechs 🏗️

- Sonic is built on the foundation of the following core principles

- **Ease of Use** ✨

- I. Sonic is inspired by apps we use on our smartphone every day
- II. The iconography and typography focuses on keeping experiences familiar with no training required
- III. Even onboarding on Sonic is done by a dedicated onboarding expert who sets up and migrates you to Sonic seamlessly

 **Schemes**

 **Disbursement**

 **Repayments**

 **Others**

- **Plug and Play. No coding required** 🛠️

- I. Sonic is meant to deliver ROI instantly and enables you to go live in under 3 working days!
- II. You can get started with Sonic without disturbing or requiring an engineering team



Manual Upload

OR



API Integration

- **Speed and Scale** ⚡

- I. Every action on Sonic happens in under 100-200 ms
- II. This was critical to make all actions feel instant and make the user feel productive
- III. Sonic is built with scale at its core. Today it supports 30+ fintechs actively lending with Apollo using Sonic

- **Flexibility** 🧑

- I. Sonic comes built-in with a variety of loan products and can support custom one's as well so you can offer the perfect product for your customer. This includes but is not limited to Personal loans, Micro loans, Consumer loans, SME loans, Line of credit etc.
- II. Similarly the loan stages on Sonic are customisable as per your requirements
- III. You can bring your existing workflows into Sonic
- IV. Sonic adapts to you and not vice versa!

- **Workflow and Credit automation** 🧑

- I. Our goal with Sonic is to focus your attention on qualified borrowers
 - II. You can build credit rules into Sonic or connect Sonic to an external rule engine to automate your credit underwriting and fast track your loan processing by filtering out unqualified borrowers
 - III. With Sonic, you can even automate workflows between loan stages basis any criteria of your choice
- For example, if a borrower has performed E-KYC, you can skip the manual KYC verification step and move the loan automatically onto the next stage thus saving time and operations effort

- **Built-in third-party integrations** 🧑

- I. Sonic comes built-in with all the popular third-party integrations required for digital lending
- II. Right from payment gateways like Razorpay, Cashfree, Instamojo to service providers like Karza, Hyperverge, Khosla Labs, Trusting Social etc. All these integrations come prebuilt into Sonic
- III. Simply flick a switch to turn on the integration!

- **Community driven & continuously improving** ✨

- Sonic is constantly evolving thanks to the 30+ fintechs actively lending using Sonic
- We cherry-pick the best features the community builds on top of Sonic and make them available for everyone
 - I. This includes popular reports, third party integrations, User management profiles, loan products etc.
 - II. Pretty much every aspect of Sonic is pushed forward constantly by its community
- Our goal is to kill reinvention of the wheel in the fintech space so companies can focus on truly innovative and IP creating products

- **Security and audit-ability** 🧑

- Every action taken on a loan in Sonic is logged
- These logs are immutable. They cannot be deleted or modified
 - Auditing any loan to see how it transversed your system is easy and every action can be re-traced
- All data on Sonic is constantly backed up and never deleted

→So in case you or your team member accidentally delete any loan information on Sonic, it can be restored in a jiffy!

- Sonic comes built-in with User Access Management
 - You can decide what parts of Sonic are accessible to which user
 - Additionally, it comes pre-built with multiple user types like Auditor, Credit Appraiser, Business Associate etc so setting up user profiles is a breeze
- Over the last 6 months, we've been running a private beta of Sonic with fintechs who have been already lending on the Apollo platform and the response has been phenomenal
- We are so excited to finally make Sonic available for all Fintechs now! This means whether you are lending on the Apollo platform or not, you can take full advantage of Sonic and take your Loan Management game to the next level! 🎮
- Sonic is a continuation of our mission of building the Operating System for Digital Lending and lowering the barriers of entry for any company to start digital lending in under 48 hours! 🙌
- Apollo will continue breaking down every aspect of digital lending into modules and easily accessible API's. 😊

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's main business is providing financial assistance independently or in association with any person or any other agencies, whether incorporated or not, in the form of lending or advancing money by way of loan(including long term loan), working capital finance.. The Company performed well during the year. Sales and other income of the Company during the year was Rs. 28,81,05,155/-. The Company has for the year ended 31st March, 2020, made a net profit of Rs. 6,64,36,691/-. The net-worth of the Company stood at Rs. 25,01,72,807/- as compared to Rs. 18,43,70,027/- in the previous year.

RISK AND CONCERN **FINTECH POST- COVID 19**

Apollo is continuously reviewing the evolving situation in the light of COVID-19 and playing a responsible role in minimising the adverse impact of the pandemic on its businesses and the stakeholders' interests and adapting to the 'new normal' of conducting business.

Below is the Company's management's take away on the impact of COVID 19 on Fintech and the moratorium offered by the RBI.

I. Lending Fintech →

Lending Fintechs have been hit hard

The huge dip in repayments will create the following problems 🤖

- i. High loss rates will activate First loss guarantee's which Fintech's have in place with their lenders
 - ii. Depending on the scope of the First loss guarantee's, this will be a substantial hit to the equity coffers of fintechs
 - iii. Fintech's, depending on their funding status, may or may not have the capital to cover for these losses
 - iv. This is likely to lead a scramble amongst their lender's in trying to get their losses covered first before Fintech runs out of cash
 - v. Investors of these fintechs will be wary to back companies in such dire conditions. They will write cheque's only for the top 5%-10% of their portfolio, letting the market decide the fate for the rest
- The fintechs getting funded to essentially get them out of these troubled waters will take significant valuation hits

- vi. This episode is highly unfortunate and likely to result in a bunch of fintech's shutting shop
- vii. The ripple effect of this will create a substantial amount of friction for the near future
 - VC's will be wary of backing digital lender's considering the blood bath they have seen in the current black swan event
 - NBFCs and Banks will further shy away from any meaningful lending partnerships with Fintech's
- viii. But here's the bright side for digital lenders 🌟
 - I believe there is a monster opportunity if they survive the current madness
 - Demand is going to be huge given that the traditional lenders will be more cautious than ever in providing credit.
 - i. This will leave a good bunch of creditworthy individuals and businesses on the table
 - ii. This is an opportunity for fintechs to engage with customers which they simply could not attract before
 - iii. It's all about acquiring, engaging, and retaining these customers by providing a bouquet of services. Fulfill a spectrum of your customer's needs. Not just lending
 - There will be a lack of competition for the next few quarters.
 - This is great
 - i. This black swan event will shake out of the pretenders and keep only the serious players in the game
 - ii. Play your cards right and the next 1-1.5 years could be instrumental in establishing your company over the next 10 years
 - Smart money will continue flowing in this space knowing this is a huge opportunity. It's important to 'go slow to go fast' in this sector. More on that in a future post
 - 10 years from today 🧙‍♂️, lending will look just like E-commerce is right now. It will be the default option for a certain audience segment. This is inevitable. Companies need to have a 2030 vision and build towards that steadily. Lending companies are always a marathon and not sprints

- **Traditional lenders** 🐢 → 🧑‍💻

- Traditional lenders have been caught in this like a deer in front of headlights
- Not only has COVID-19 and the moratorium resulted in poor repayments but overnight as lockdown hit, their existing workflows were rendered completely useless
- These workflows relied heavily on physical interaction for everything right from servicing customer requests, processing and collections
- Technology efforts have been largely outsourced. This comes from the DNA of the company. Check the top tier management of these companies v/s the top tier management at Amazon and it's easy to see why
- Most of their software is on-premise and not cloud-based. It's simply not built for remote work
- Imagine being in a situation where your business is suffering as every day passes and simultaneously being paralyzed and unable to respond since your team can't function remotely due to lack of digitization. It's completely alien territory 🤖
- Going digital has been a conversation forever in the banking world. It's been all fancy talk with little movement to show for it so far. Not any more. I am positive that there will be an urgency like never before to sort out this mess and double down on digitization efforts across the board
- 2 outcomes are likely;

As I mentioned earlier, traditional lenders will not want to do lending with digital fintech lender's given the mess their internal books and their current fintech partnerships are in

But they will have a strong interest in learning from them and adapting their workflows to become more efficient and digital in their workflow

They will have a strong interest in new-age fintech solutions for digitizing their existing workflows

- Digitization efforts planned for the next 5 years will happen over the next 1 year if not sooner
- This is a large opportunity for fintechs to think about and collaborate with traditional lenders
- **Service providers of digital tools for lending** 😞 → 🚀
 - Before COVID-19, while some fintechs did adopt them, others saw them as non-essential
 - Most traditional lenders did not take this segment seriously
 - Their business was going well without needing any such tools for digitization. It was nice to have and much lower in the order of priority
 - This is not true anymore. This is their moment to shine 🚀
 - Every fintech and traditional lenders would be flocking to them to get their digital workflow act together
 - If these companies play their cards right, it could and should be their demonetization moment
 - Once the lending is back in full swing, they could see the fruits of their labor and see unprecedented growth trajectories
 - They need to get their pricing right, keeping in mind high LTV, and build a trustworthy brand
 - This moment could establish them as critical cogs in the workflow of digital loans
 - These companies should work hard to grab market share and make themselves the default company to go to in their respective spaces
 - The stars are aligned here for them to have a low cost of customer acquisition and high customer lifetime value
- **Something new** 🧐
 - At its core, COVID-19 has broken the trust protocol which was implicit between 2 entities
 - There are multiple examples of these instances
 - Parents refusing to pay school fees
 - Tenants refusing to pay rent
 - Consumers who have taken cars/bikes/furniture on long term rentals and refusing to pay
 - At its core, is a lack of fear on the repercussions due to the long-drawn legal processes which plague India
 - So while some entities will no doubt take up matters legally, the rest will be left biting the dust. This annoyance and frustration is being channeled sharply by certain entities
 - We are seeing a huge tidal wave of interest of companies in the rental, education and real estate segment to convert their existing structures into “loan agreements” because

They are tired of running after money owed to them and the lack of consequences for delayed or complete lack of payments

They want their customers to know the payments are being recorded on the bureau and delayed payments will adversely impact their “trust” score

The legal protocols involving loans are much more efficient than standard agreements between 2 parties

- While this trend has been accelerated by COVID-19, there has always been a problem in India regarding getting invoices and bills paid on time

For example, large Indian companies are traditionally notorious for delaying payments for months to their suppliers or service providers

- There is a tremendous opportunity we see here for evolving the current trust score of every company and individual basis every transaction that they participate in. I am talking about the bureau score
- While countries like the USA already incorporate rentals and bill payments within the credit score of entities, unfortunately, this is yet not part of the credit ratings in India
- We are headed into a future 🤖 where the trust scores will be tied to every transaction and open to everyone to see
- Imagine a world where you don't have to second guess before doing a deal with someone and you are confident that every party will act basis the legal agreements which have been signed else face long term consequences in the manner of dropping trust scores leading to fewer entities wanting to transact with them leading to reduced business
- Good actors will have high trust scores leading a larger number of entities wanting to transact with them leading to a flourishing business for the good actor
- Ultimately a system like this, if built correctly, 🍷 would improve the ease of doing business
- Prosperity within a community is directly proportional to the median trust score within that community

INTERNAL CONTROL AND INTERNAL AUDIT SYSTEM

The Company is following a proper and adequate system of internal controls in respect of all its activities including safeguarding and protecting its assets against loss from unauthorized use or disposition. Further, all transaction entered into by the company are fully authorised, recorded and reported correctly.

HUMAN RESOURCES

We've come a long way here at Apollo. Right from building a tech startup under the spotlight of a public listed company 🏢 to working with 50+ fintechs along the way to growing from a market cap of 10cr to 200+cr. All this in a short span of over 2.5+ years. What an action-packed ride it's been so far and you know what's amazing? It feels like we are just getting started 🚀

When you're on the fast track of life, time absolutely flies. So every now and then I like to look back at our journey. It helps put things in perspective, recall experiences, things we got right and mistakes from which we learned from along the way

Today I would like to talk about one of the things I am proud to say we got right. This is the Diversity 🌈 in our team. A team which is well balanced with an equal number of men and women!

This is a topic which is very close to my heart. ❤️ Its benefits are something I am very passionate about and I am so happy to have been able to build it into the cultural tapestry and foundation of our company

- Here are some interesting facts 🤖 about us
 - 60% of Apollo's team comprises of women
 - 40% of our Board has women
 - Our largest Shareholder is a woman
 - A woman single-handedly started building our tech platform, while she was pregnant. She worked like a superwoman pretty much until the day she delivered a beautiful girl into the world
 - When we started building Apollo, for the first couple of months, we had a team of only women employees!
- I know what you must be thinking. These points seem women-centric. That does not seem very diverse. Well, this is intentional
- Today there is a clear and distinct lack of women in the workforce. If we want to achieve diversity, we must solve this problem 🤔

How did we do this?

- This is one of the most common questions I am asked and well the answer to this is quite simple really: Diversity starts at the very top 🌈
- At Apollo, the founding team is a man and a woman. With such a starting point, the rest just came organically
 - Diversity is not something that we actively planned or hired for
 - When we were starting our company, our focus like any other early-stage company was on only 1 thing: Finding product-market fit. Nothing else mattered!
 - Most of the initial hiring was led by me and I had a simple goal: Find the best talent for the role 🙋
 - Now when I reminisce, I think it's because I was a woman and one who was fortunate to have been brought up in a family where men and women contributed equally both professionally and personally, I was subconsciously making decisions resulting in a well-balanced team
 - In fact, I was only made to realise this phenomenon in our team composition when we had a visitor in our office one day who pointed out how impressed he was to see this especially in a tech startup 🧑

How has this helped us? Let's talk about specific areas in the company

- **Product**
 - One of the goals of the Apollo platform is to accelerate financial inclusion 🌈
 - As per the Indian census, 48% of the population in India are women
 - In fact, between the 2 gender's, one can argue the need and opportunity to build products for the financial inclusion of women is larger than that of men
 - Even leaving that aside, if you aim to cater to a market with this level of diversity, is it not wise to build a product incorporating the sensibilities and tastes of your ultimate target market? 😞
 - At Apollo, we have seen immense benefits in our product thanks to our diversity. The holistic thinking it brings to building out product roadmaps, prioritisation, feature feedback sessions to the user experience is absolutely invaluable. It really helps eliminates blind spots 🧐
 - When you allow only one gender to build a product, it subconsciously gets built with a bias towards that gender. This alienates customers from the opposite gender. Let me explain with an example I read in the book -The Moment of lift by Melinda Gates
 - Ever wondered why most of the video games back in the day were either about car racing, shooting, fighting etc?
 - This is because the gaming industry back then was primarily dominated by men
 - This resulted in games being created by boys for boys
 - This completely ignored the opposite gender's taste leaving a huge uncatered gap in the industry
 - Not only is this unfair to the opposite gender, it's just a straight-up bad business decision. A lack of diversity in your team can make you lose a huge chunk of your potential customers! 🏠
 - The perfect way to build for a market is to have the end-user base within your company. A team who truly emphasizes with the customers needs always builds the best product
- **Hiring & Retention**
 - Apollo's diversity has given us a clear unfair advantage in hiring
 - How? Well, its human tendency to look for familiar faces and cultural wavelengths when we decide who to be friends with or what social group we would like to be a part of. The same physiological behaviour applies when we look for our next workplace and company
 - With a strong presence of women in the team, Apollo tends to attract more women to join us 😊 This is a virtuous cycle with a strong multiplier effect. This just keeps growing stronger and stronger over time
 - By default, this X factor gives Apollo access to a much larger talent pool. In a competitive marketplace, this kind of DNA is a powerful magnet as we scale our team from strength to strength 🤝
 - Equally important, a well-balanced team leads to substantially better talent retention as well. Most companies don't realise it, but they are driving away potential and current talent because of imbalances in the team. Nobody wants to be the odd one out and if you don't make them feel at home, they will leave 🙄
 - These subtle but critical factors play an important role for employees choosing their next job and become subconscious reasons for quitting their current jobs

- **Culture**

- Men and women are simply wired differently. What women bring to the table, men don't and vice versa
- Women are known to have higher Emotional Intelligence and this gives them the ability to recognize, communicate and relate with emotions they feel in others or themselves 🧠
- This is a huge enabler for fostering a culture where it is normal to communicate about what's on your mind
- At Apollo, our teams communicate much more freely within themselves and are more open to speak about their likes and dislikes. I think this has a lot to do with the women in our team
- As the leadership team, we can rest easy knowing that if something is wrong in the company morale or sentiment, we will be made aware of it
- Even with our partners, the communication is strong, clear and regular. It's this human connection that helps establish a strong and trustworthy bond between 2 companies 🤝
- Finally, the temperament of women and men varies widely 🗣️ In teams with diversity, it's often this balance that we have noticed helps in much more rational decision making and increased probabilities of establishing successful external partnerships 🤝

- **Why can't this be every company's secret sauce?**

- One of my motivations for writing this piece was to clearly outline the advantages that diversity brings to the table
- If there's one 👉 takeaway I would like people to have from this mini case study, it is this: Bring diversity in your leadership and decision making team
- This is a game-change ⚡ It unlocks opportunities, possibilities and perspectives you simply did not know even existed
- This move has the potential to drive the next wave of growth 🚀 in your business. It will help you explore, understand, and build for markets which your existing teams just cannot either recognize or empathically build for
- I hope our experiences encourage more companies and leaders to consciously think of adding this magic formula 🧙 in their team

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIO

During the year under review there were significant changes in Key Financial Ratios of the Company as compared to previous financial year that is 31st March, 2019 which are as follows;

Sr No.	Key Financial Ratios	FY 2018-19	FY 2019-20	
1.	Current Ratio	0.44	1.35	The Company makes optimum use of its Reserves and Surplus available to expand the Operating activities and hence the Company has been able to maintain a healthy Current Ratio
2.	Debt Equity Ratio	0.29	0.16	The Company is currently using all funds available with itself and has considerable less amount of outside borrowing for conducting business activities as a result of which the company has been able to generate positive returns for F Y 2019-20 and hence there is reduction in Debt Equity ratio between the
3.	Net Profit Margin	41%	23%	The Company has maintained a healthy Net Profit Margin ratio and has been able to attract additional business as compared to previous year as a result of which there is a significant difference in Net Profit margin ratio as compared to previous year.
4.	Return on Equity	8%	27%	The company has been successful in attracting additional business and generating positive returns from the same and there by maintaining a healthy Return on Equity for the Shareholders

CAUTIONARY STATEMENT

The Statement in this Management Discussion and Analysis report, describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied in the statement due to external factors. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

**FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

**To,
The Members,
Apollo Finvest (India) Limited
Unit No. 803, Blue Moon, 8 Floor,
Veera Industrial Estate, New Link Road,
Opp. Laxmi Industrial Estate, Andheri (West),
Mumbai - 400 053**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Apollo Finvest (India) Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2020 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), viz:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable during the period of audit]**.
 - f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share based Employee Benefits) Regulations, 2014; **[Not applicable during the period of audit]**.
 - g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the period of audit]**.
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable during the period of audit]**.
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not applicable during the period of audit]**.
- vi. Other laws applicable specifically to the company namely:

- a. The RBI Act, 1934, **except that** the company had received a cautionary letter on one occasion for failure to obtain prior approval of RBI for change in management. However, the company had complied with the same during the year ended 31st March, 2020.
- b. The Finance Act, 1994.
- c. Chapter V of the Finance Act, 1994.

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreement entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that :

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Committee Meetings, Agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the information provided and the representation made by the Chief Financial Officer/Company Secretary, taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

For **GMJ & ASSOCIATES**
COMPANY SECRETARIES

SD/-
[CS PRABHAT MAHESHWARI]
PARTNER
M. NO.: FCS 2405
CP NO.: 1432

PLACE : MUMBAI
DATE : 30TH JUNE, 2020
UDIN: F002405B000405027

Note: This report is to be read with our letter of even date that is annexed as Annexure I and forms an integral part of this report.

'ANNEXURE I' to Secretarial Audit Report

To,
The Members,
Apollo Finvest (India) Limited
Unit No. 803, Blue Moon, 8th Floor,
Veera Industrial Estate, New Link Road,
Opp. Laxmi Industrial Estate, Andheri (West),
Mumbai - 400 053

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules, regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**
COMPANY SECRETARIES

SD/-
[CS PRABHAT MAHESHWARI]
PARTNER
M. NO.: FCS 2405
CP NO.: 1432

PLACE : MUMBAI
DATE : 30TH JUNE, 2020
UDIN: F002405B000405027

CODE OF CONDUCT DECLARATION

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that-

The Company has obtained from all members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the Financial Year 31st March, 2020.

Place: Mumbai
Date : 5th November 2020

Sd/-
Mikhil R. Innani
Managing
Director

CHIEF FINANCIAL OFFICER CERTIFICATION

To
Board of Directors
Apollo Finvest (India) Limited

I, Diksha Nangia, Chief Financial Officer and Whole Time Director, of **Apollo Finvest (India) Limited**, to the best of my knowledge and belief, certify that:

1. I have reviewed the financial statements for the year and that to the best of my knowledge and belief:
 - a) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - b) these statements present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. I accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are appraised of any corrective action taken with regards to significant deficiencies and material weakness.
4. I indicate, based in my most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - a) significant changes in internal control over financial reporting during the year;
 - b) significant changes in accounting policies during the year; and
 - c) Instances of significant fraud of which we have become aware of laws and which involve management or other employees who have significant role in the Company's internal control system over financial reporting.

Yours faithfully,

Place: Mumbai
Date: 5th November, 2020

Sd/-
Diksha Nangia
Chief Financial Officer & Whole
Time Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF APOLLO FINVEST (INDIA) LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Apollo Finvest (India) Limited** (*"the Company"*) which comprise the Balance Sheet as at March 31, 2020, 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 ended on that date, and notes to financial statements, including a summary of significant accounting policies (hereinafter referred to as the "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 54 to the financial statement, which describes the uncertainty caused by COVID -19 pandemic with respect to the company's estimates of impairment of loans to customers and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Sr. No.	Key Audit Matter	How was the matter addressed in our audit
1.	<p>Transition to Ind AS accounting framework (as described in note 49 of the Ind AS financial statements)</p> <p>The Company has adopted Ind AS from 1 April 2019 with an effective date of 1 April 2018 for such transition. For periods up to and including the year ended 31 March 2019, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). To give effect of the transition to Ind AS, these financial statements for the year ended 31 March 2020, together with the comparative financial information for the previous year ended 31 March 2019 and the transition date Balance Sheet as at 1 April 2018 have been prepared under Ind AS. The transition has involved significant change in the Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting and disclosure requirements prescribed under extant Reserve Bank of India (RBI) directions.</p> <p>In view of the complexity involved, Ind AS transition and the preparation of financial statements subsequent to the transition date have been areas of key focus in our audit.</p>	<ul style="list-style-type: none"> • Read the Ind AS impact assessment performed by the Management and the resultant changes made to the accounting policies considering the requirements of the new framework. • Evaluated the exemptions and exceptions allowed by Ind AS and applied by the Management in applying the first-time adoption principles of Ind AS 101 in respect of fair valuation of assets and liabilities existing as at transition date. • Tested the accounting adjustments posted as at the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS. • Tested the disclosures prescribed under Ind AS.
2.	<p>Accuracy in identification and categorisation of loans and advances receivable from financing activities as performing and non-performing assets and in ensuring appropriate asset classification, existence of security, income recognition, provisioning/ write off thereof and completeness of disclosure including compliance in accordance with the applicable extant guidelines issued by Reserve Bank of India (RBI).</p>	<p>We have assessed the systems and processes laid down by the company to appropriately identify and classify the loans and advances receivables from financing activities including those in place to ensure correct classification, income recognition and provisioning/write off including of Non-performing assets as per applicable RBI guidelines.</p> <p>The audit approach included testing the existence and effectiveness of the control environment laid down by the management and conducting of substantive verification on selected sample transactions in accordance with the principles laid down in the Standards on Auditing and other guidance issued by Institute of Chartered Accountants of India.</p> <p>Agreements entered into regarding significant transactions including related to loans have been examined to ensure compliance.</p> <p>Compliance with material disclosure requirements prescribed by RBI guidelines and other statutory requirements have been verified.</p>
3	<p>Impairment of financial assets (expected credit loss) (as described in note 44 of the Ind AS financial statements)</p> <p>Ind AS 109 requires the Company to recognise impairment loss allowance towards its financial assets (designated at amortised cost and fair value through other comprehensive income) using</p>	<ul style="list-style-type: none"> • We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109.

<p>the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including:</p> <ul style="list-style-type: none"> • unbiased, probability weighted outcome under various scenarios; • time value of money; • impact arising from forward looking macro-economic factors and; • availability of reasonable and supportable information without undue costs. <p>Applying these principles involves significant estimation in various aspects, such as:</p> <ul style="list-style-type: none"> • grouping of borrowers based on homogeneity by using appropriate statistical techniques; • staging of loans and estimation of behavioral life; • determining macro-economic factors impacting credit quality of receivables; • Estimation of losses for loan products with no/minimal historical defaults. <p>Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.</p>	<ul style="list-style-type: none"> • We tested the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. • We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation. • Tested the ECL model, including assumptions and underlying Computation • Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults. • Audited disclosures included in the Ind AS financial statements in respect of expected credit losses.
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Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report including Annexures to Directors' Report and Corporate Governance, but does not include the Ind AS financial statements and our auditor's report thereon. The above stated reports are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge. When we read the above report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

In preparing the 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.

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

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 of the aforesaid Ind AS financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.
 - c) The company does not have any branches. Hence, the provisions of section 143(3)(c) is not applicable.
 - d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - e) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - f) In our opinion, there are no financial transactions or matters which have any adverse effect on the functioning of the company.
 - g) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - h) There is no adverse remark relating to the maintenance of accounts and other matters connected therewith.
 - i) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"
 - j) In our opinion and to the best of our information and according to the explanations given to us, we report as under 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 as referred to Note 40 to the Ind AS financial statement.
 - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - (iii) There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

Place : Mumbai
Date : June 30, 2020

For GMJ & Co
Chartered Accountants
(FRN: 103429W)

Sd/
(CA S. Maheshwari)
Partner
M. No.: 038755
UDIN: 200387 55AAAA BZ3753

Re: APOLLO FINVEST (INDIA) LIMITED
Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment.
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is in the business of providing Non-Banking Financial Services and consequently, does not hold any inventory. Hence the provisions of clause 3(ii) of the Order are not applicable to the Company.
- (iii) The Company has not granted loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 and hence the provisions of clause 3(iii) (a),(b) and (c) of the Order are not applicable to the Company.
- (iv) According to the information and explanation given to us, the company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under section 185 of the Companies Act, 2013. The Company has complied with the provisions of section 186 of the Act to the extent applicable.
- (v) The company has not accepted deposits, therefore the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company. Hence the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under subsection (1) of Section 148 of the Companies Act, 2013 for any of the activities of the Company.
- (vii) (a) According to the information and explanation given to us and on the basis of our examination of records of the Company, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and service tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

There are no outstanding dues as on the last day of the financial year for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of duty of customs , sales tax, goods and service tax, duty of excise, service tax and value added tax which have not been deposited with the appropriate authorities on account of any dispute, except-

Sr. no.	Name of the Statute	Nature of the Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	13.22	A.Y.2005-06	CIT (Appeal)

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks during the year under audit. There are no dues to Financial Institution, Government and the Company has not issued any debentures.
- (ix) The Company did not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year, hence the provisions of clause 3 (ix) of the Order is not applicable to the Company.

- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Hence the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanation given to us and based on our examination of the record of the company, transaction with the related parties are in accordance with the section 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statement as required by the applicable Accounting Standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors, hence the provisions of clause 3(xv) are not applicable to the Company.
- (xvi) The Company is registered under section 45-IA of Reserve Bank of India Act, 1934.

For **GMJ & Co**
Chartered Accountants
(FRN: 103429W)

Sd/-
(**CA S. Maheshwari**)
Partner

M. No.: 038755
UDIN: 200387 55AAAA BZ3753

Place : Mumbai
Date : June 30, 2020

Re: APOLLO FINVEST (INDIA) LIMITED**Annexure – 'B' to the Auditors' Report**

(Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"))

We have audited the internal financial controls over financial reporting of "**Apollo Finvest (India) Limited**" ("the Company") as of March 31, 2020 in conjunction with our audit of the 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For GMJ & Co
Chartered Accountants
(FRN: 103429W)

Sd/-
(CA S. Maheshwari)
Partner

Place : Mumbai

Date : June 30, 2020

M. No.: 038755
UDIN: 200387 55AAAA BZ3753

BALANCE SHEET AS ON 31ST MARCH, 2020
(Amount in INR)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
ASSETS				
Financial Assets				
(a) Cash and Cash Equivalents	4	14,921,852	9,247,796	23,316,825
(b) Bank Balances Other than (a) above	5	-	-	617,454
(c) Receivables				
(i) Other Receivables	6 (i)	1,060,181	3,982,852	-
(d) Loans	7	289,361,900	164,532,242	68,872,268
(e) Investments	8	256,121,421	27,170,110	44,320,641
(f) Other Financial Assets	9	12,490,018	2,458,432	901,684
		573,955,372	207,391,431	138,028,871
Non-financial Assets				
(a) Deferred Tax Assets (Net)	10	7,780,168	12,111,207	12,578,781
(b) Investment property	11	62,522,884	62,440,179	-
(c) Property, Plant and Equipment	12	11,206,942	9,963,557	10,866,734
(d) Other Intangible Assets	13	90,986	120,986	-
(e) Other Non-financial Assets	14	3,277,325	3,862,167	13,599,998
		84,878,304	88,498,096	37,045,513
TOTAL		658,833,676	295,889,528	175,074,385
EQUITY AND LIABILITIES				
Liabilities				
Financial Liabilities				
(a) Payables				
(i) Trade Payables	15			
(i) total outstanding dues of micro enterprises and small enterprises		27,000	121,500	130,500
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15	8,417,631	1,340,571	252,980
(b) Borrowings (Other than Debt Securities)	16	40,803,193	54,010,356	-
(c) Deposits	17	310,250,577	51,376,540	300,000
(d) Other financial liabilities	18	36,432,876	2,893,137	289,180
		395,931,277	109,742,104	972,660
Non-Financial Liabilities				
(a) Current Tax Liabilities (Net)	19	5,210,947	316,166	2,125,949
(b) Provisions	20	814,816	471,674	417,416
(c) Other non-financial liabilities	21	6,507,828	793,557	49,661
		12,533,591	1,581,397	2,593,026
Equity				
(a) Equity Share capital	22	37,312,080	37,312,080	37,312,080
(b) Other Equity	23	213,056,727	147,253,947	134,196,619
		250,368,807	184,566,027	171,508,699
TOTAL		658,833,676	295,889,528	175,074,385

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 55

As per our report of even date attached

FOR GMJ & CO

CHARTERED ACCOUNTANTS

FRN: 103429W

SD/-
CA Sanjeev Maheshwari

Partner

Membership No. 038755

UDIN: 200387 55AAAA BZ3753

Place : Mumbai

Date : June 30, 2020

For and on behalf of the Board

APOLLO FINVEST (INDIA) LTD.

SD/-

Mikhail R. Innani

Managing Director

DIN: 02710749

SD/-

Akash Valia

Director

DIN: 07358796

SD/-

Diksha D. Nangia

Chief Financial Officer & Director

DIN: 07380935

SD/-

Urvi Rathod

Company Secretary

M. No: A49191

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in INR)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Revenue from operations			
Interest Income	24	70,700,514	14,741,698
Dividend Income	25	2,444	226,631
Rental Income	26	665,800	50,080
Fees and commission Income	27	206,939,986	10,688,836
Net gain on fair value changes	28	4,163,374	9,909,415
Total Revenue from operations (I)		282,472,117	35,616,660
Other Income (II)	29	5,633,038	1,307,429
Total Income (III)	(I+II)	288,105,155	36,924,088
EXPENSES			
Finance Costs	30	12,787,184	2,250,105
Fees and commission expense	31	149,331,265	4,845,057
Net loss on fair value changes	32	248,650	309,914
Impairment on financial instruments	33	5,872,862	976,408
Employee Benefits Expenses	34	8,670,275	5,867,189
Depreciation, amortization and impairment	35	1,532,373	1,397,478
Others expenses	36	18,185,978	4,071,296
Total Expenses (IV)		196,628,588	19,717,447
Profit / (loss) before exceptional items and tax (V)	(III- IV)	91,476,567	17,206,641
Exceptional Items (VI)	37	(41,400)	(166,500)
Profit/(loss) before tax	(V-VI)	91,517,967	17,373,141
Tax Expense:			
(1)Current Tax		20,522,495	1,147,390
(2)Deferred Tax		(1,218,724)	1,645,688
MAT Credit Entitlement- (Credit) / Reversal		5,777,505	(478,392)
Profit/(loss) for the period		66,436,691	15,058,455
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss (specify items and amounts)			
Remeasurement of gains (losses) on defined benefit plans		67,505	137,329
Income tax effect		(18,780)	(38,204)
B. Other Comprehensive to be reclassified to profit and loss in income subsequent periods:			
Debt Instruments through Other Comprehensive Income		(1,066,486)	(4,013,974)
Income tax effect		246,522	737,926
Other Comprehensive income for the year, net of tax		(771,240)	(3,176,923)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		65,665,452	11,881,532
Earnings per equity share :			
Basic EPS	38	17.79	3.99
Dilluted EPS		17.79	3.99

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 55

As per our report of even date attached
FOR GMJ & CO
CHARTERED ACCOUNTANTS
FRN: 103429W

SD/-
CA Sanjeev Maheshwari Partner
Membership No. 038755
UDIN: 200387 55AAAA BZ3753

Place : Mumbai
Date : June 30, 2020

For and on behalf of the Board
APOLLO FINVEST (INDIA) LTD.

SD/-
Mikhail R. Innani
Managing Director
DIN: 02710749

SD/-
Akash Valia
Director
DIN: 07358796

SD/-
Diksha D. Nangia
Chief Financial Officer & Director
DIN: 07380935

SD/-
Urvi Rathod
Company Secretary
M. No : A49191

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit/(Loss) before income tax from:	91,517,967	17,373,141
Adjustments for:		
Depreciation and amortisation expense	1,532,373	1,397,478
Gain/loss on disposal of property, plant and equipment	14,888	-
Gain/loss on sale of investments	(3,914,733)	(5,861,481)
Provision/Impairment on Loans, Investments and Other Assets	7,932,074	820,104
Dividend income classified as investing cash flows	(2,444)	(226,631)
Interest Income classified as investing cash flows	(237,840)	(1,643,909)
Finance costs	12,787,184	2,250,105
Change in operating assets and liabilities:		
(Increase)/Decrease in trade receivables	2,922,671	(3,982,852)
(Increase)/Decrease in Loans	(130,104,857)	(95,659,974)
(Increase)/Decrease in Other Bank balances	-	617,454
Increase/(decrease) in trade payables	6,982,559	1,078,591
(Increase) in other financial assets	(10,031,586)	(1,556,748)
(Increase)/decrease in other non financial assets	(1,140,603)	9,737,831
Increase/(decrease) in provisions	343,142	54,258
Increase/(decrease) in deposits	258,874,037	51,076,540
Increase/(decrease) in other financial liabilities	33,539,740	2,603,957
Increase/(decrease) in other non financial liabilities	5,714,271	743,896
Cash generated from operations	276,728,845	(21,178,240)
Less: Income taxes paid	15,562,113	2,935,660
Net cash inflow from operating activities	261,166,732	(24,113,900)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(1,977,951)	(180,466)
Payments for investment property	(872,000)	(62,875,000)
(Payments)/Proceeds for purchase/sale of investments	(232,082,928)	19,095,752
Proceeds from sale of property, plant and equipment	6,600	-
Dividends received	2,444	226,631
Interest received	237,840	1,643,909
Net cash outflow from investing activities	(234,685,995)	(42,089,174)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings (Net)	51,821,847	55,230,707
Repayment of borrowings	(65,029,010)	(1,220,351)
Interest paid	(7,599,518)	(1,876,311)
Net cash inflow (outflow) from financing activities	(20,806,681)	52,134,045
Net increase (decrease) in cash and cash equivalents	5,674,056	(14,069,029)
Cash and Cash Equivalents at the beginning of the financial year	9,247,796	23,316,825
Cash and Cash Equivalents at end of the year	14,921,852	9,247,796
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents	14,921,852	9,247,796
Bank overdrafts	-	-
Balances per statement of cash flows	14,921,852	9,247,796

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 55

As per our report of even date attached

FOR GMJ & CO

CHARTERED ACCOUNTANTS

FRN: 103429W

SD/-
CA Sanjeev Maheshwari

Partner

Membership No. 038755

UDIN: 200387 55AAAA BZ3753

Place : Mumbai

Date : June 30, 2020

For and on behalf of the Board

APOLLO FINVEST (INDIA) LTD.

SD/-

Mikhail R. Innani

Managing Director

DIN: 02710749

SD/-

Akash Valia

Director

DIN: 07358796

SD/-

Diksha D. Nangia

Chief Financial Officer & Director

DIN: 07380935

SD/-

Urvi Rathod

Company Secretary

M. No: A49191

STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH, 2020
A Equity Share Capital

(Amount in INR)

Particulars	Balance at the Beginning of the period	Changes in Equity share capital during the year	Balance at the end of the period
March 31, 2019			
Numbers	3,731,208	-	3,731,208
Amount	37,312,080	-	37,312,080
March 31, 2020			
Numbers	3,731,208	-	3,731,208
Amount	37,312,080	-	37,312,080

B Other Equity

Particulars	Reserves and Surplus				Revaluation Surplus	Debt Instruments through OCI	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Special Reserve (Statutory Reserve)			
As at April 1, 2018	196,000	41,883,693	73,069,302	17,347,797	-	1,699,826	134,196,619
Profit for the period	-	-	15,058,455	-	-	-	15,058,455
Transfer to Special Reserve (Statutory Reserve) Others	-	-	(3,077,468) 1,175,796	3,077,468	-	-	- 1,175,796
Other comprehensive income	-	-	99,125	-	-	(3,276,048)	(3,176,923)
Total comprehensive income for the year	196,000	41,883,693	86,325,210	20,425,265	-	(1,576,221)	147,253,947
As at March 31, 2019	196,000	41,883,693	86,325,210	20,425,265	-	(1,576,221)	147,253,947
Profit for the period	-	-	66,436,691	-	-	-	66,436,691
Transfer to Special Reserve (Statutory Reserve) Others	-	-	(13,300,000) 137,329	13,300,000	-	-	- 137,329
Other comprehensive income	-	-	48,725	-	-	(819,965)	(771,240)
Total comprehensive income for the year	196,000	41,883,693	139,647,955	33,725,265	-	(2,396,186)	213,056,728
As at March 31, 2020	196,000	41,883,693	139,647,955	33,725,265	-	(2,396,186)	213,056,728

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 55

As per our report of even date attached
FOR GMJ & CO
CHARTERED ACCOUNTANTS
FRN: 103429W

SD/-
CA Sanjeev Maheshwari
Partner
Membership No. 038755
UDIN: 200387 55AAAA BZ3753

Place : Mumbai
Date : June 30, 2020

For and on behalf of the Board
APOLLO FINVEST (INDIA) LTD.

SD/-
Mikhil R. Innani
Managing Director
DIN: 02710749

SD/-
Akash Valia
Director
DIN: 07358796

SD/-
Diksha D. Nangia
Chief Financial Officer & Director
DIN: 07380935

SD/-
Urvi Rathod
Company Secretary
M. no: A49191

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**Note.1 Corporate Information**

APOLLO FINVEST (INDIA) LIMITED (the “Company”) was incorporated on 29th July, 1985 having CIN L51900MH1985PLC036991 under the provisions of Companies Act, 2013 (‘the Act’). The company is a public company domiciled in India and its shares are listed on recognised Bombay stock exchanges in India. The registered office of the company is located at Unit No 803, Morya Bluemoon, Veera Desai Industrial Estate, Andheri West, Mumbai-400053.

The Company is a Non-Systemically Important (Non-Deposit taking) Non-Banking Financial Company (“NBFC-ND”) and holding a Certificate of Registration No.13.00722 dated 20th April,1998 from the Reserve Bank of India (“RBI”).

The Company is principally engaged in the business of Financial Services and the management of investment property

The financial statements are approved for issue by Board of Directors on 30th June, 2020.

Note 2 Significant Accounting Policies**2.1 Statement of compliance**

Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss for the year ended 31 March 2020, the Statement of Cash Flows for the year ended 31 March 2020 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as ‘financial statements’).

2.2 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)

For all periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2020 are the first, the Company has prepared in accordance with Ind AS. Refer to Note 49 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Contingent consideration, and

The financial statements are presented in Indian Rupees (INR) , except when otherwise indicated.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 3 - Significant accounting judgements, estimates and assumptions

2.3 Summary of significant accounting policies**(a) Revenue recognition****(i) Interest income**

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest

Interest on delayed payments by customers are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**(ii) Dividend income**

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iii) Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

(iv) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

(v) Other revenue from operations

Fees income : Fee based income are recognized when they become measurable and when it is probable to expect their ultimate collection.

Commission and brokerage income : Commission and brokerage income earned for the services rendered are recognized as and when they are due.

(b) Taxes**(i) 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 in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Minimum Alternate Tax (MAT)

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with asset will be realised.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**(c) Leases****(i) As a lessor**

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

The company has not taken any asset on lease as on the reporting period to report under Ind AS 116.

(d) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down 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 a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the impairment is reversed subject to a maximum carrying value of the asset before impairment.

(e) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on 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.

(f) 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.

(i) Financial assets***Initial recognition and measurement***

All financial assets are recognised 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 recognised 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 amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(1) Debt instruments at amortised cost

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

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(2) Debt instrument at FVTOCI

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

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) 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). However, the group recognizes interest income, impairment losses & reversals in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(3) 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.

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'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(4) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) 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 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 recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

ECLs are required to be measured through a loss allowance at an amount equal to:

- (i) 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- (ii) full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1 : All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date are classified under this stage. The Company classifies all standard loans upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2 : All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3 : All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised. 90 Days Past Due is considered as default for classifying financial instrument as credit impaired.

The Company's Expected Credit Loss (ECL) calculation is the output of a model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL model, including the various formulae and the choice of inputs
- Selection of forward-looking macroeconomic scenarios and their probability weights, to derive the economic inputs

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics.

(ii) Financial liabilities***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, security deposits and loans and borrowings including bank overdrafts.

Subsequent measurement

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

(1) 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. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. .

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

(2) Loans and borrowings

This is the category most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(iii) Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(g) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method to allocate their cost, net of their residual values, over their estimated useful lives which are equal to those prescribed under Schedule II to the Companies Act, 2013, as follows:

Buildings	60 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipments	5 years
Computer Hardwares	3 years

The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

(h) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives i.e 60 years.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**(i) Intangible assets****Computer software**

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Research and development

Research expenditure and development expenditure that do not meet the criteria specified above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Computer software	3-5 years
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Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(k) Employee benefits**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus Plans

The company recognises a liability and an expense for bonuses. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(l) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(n) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(o) Current and non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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 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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

The company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

Note No. 3. Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable – Note 10
- Estimated fair value of unlisted securities and Debt Instruments – Note 43
- Estimated useful life of intangible asset- Note 2.3 (i)
- Estimation of defined benefit obligation – Note 39
- Recognition of revenue – Note 24
- Recognition of deferred tax assets for carried forward tax losses – Note 10
- Impairment of loans and other financial assets – Note 44

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 4 CASH AND CASH EQUIVALENT

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Balances with banks:			
- On current accounts	14,915,470	9,227,405	23,302,900
Cash on hand	6,382	20,391	13,925
Total	14,921,852	9,247,796	23,316,825

NOTE NO. 5 OTHER BANK BALANCES

Other Deposits with banks	-	-	617,454
Total	-	-	617,454

NOTE No. 6 RECEIVABLES
(I) OTHER RECEIVABLES

Other Receivables from Customers	1,060,181	3,982,852	-
	1,060,181	3,982,852	-
Breakup of Security details			
Unsecured, considered good	1,060,181	3,982,852	-
	1,060,181	3,982,852	-
Impairment Allowance (allowance for bad and doubtful debts)			
Unsecured, considered good	-	-	-
Doubtful	-	-	-
Total	1,060,181	3,982,852	-

Debts due by directors or other officers of the NBFC or any of them either severally or jointly with any other person : Nil
 Debts due by firms including limited liability partnerships (LLPs), private companies respectively in which any director is a partner or a director or a member : Nil

NOTE NO 7. LOANS
(1) Loans carried at Cost
Unsecured
(A) LOANS

(i) Bills purchased and bills discounted	-	-	2,922,916
(ii) Terms Loans	295,830,837	165,725,980	71,753,382
Total (A)	295,830,837	165,725,980	74,676,298
Less: Impairment loss allowance	(6,468,938)	(1,193,738)	(5,804,030)
Total (A) Net	289,361,900	164,532,242	68,872,268

(B) (I) LOANS IN INDIA

(i) Public Sector	-	-	-
(ii) Others	295,830,837	165,725,980	74,676,298
Total (B)	295,830,837	165,725,980	74,676,298
Less: Impairment loss allowance	(6,468,938)	(1,193,738)	(5,804,030)
Total (B) Net	289,361,900	164,532,242	68,872,268

(B) (II) LOANS OUTSIDE INDIA

	-	-	-
Total (B) (I) and (B) (II)	289,361,900	164,532,242	68,872,268
Total	289,361,900	164,532,242	68,872,268

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO 8. INVESTMENTS

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
(1) Investments carried at fair value through Other Comprehensive Income			
Quoted			
(a) Investments in Preference Shares	327,000	59,400	1,773,500
(b) Investments in debentures or bonds	13,364	3,246,433	14,702,350
Less : Impairment loss	(340,364)	-	-
	-	3,305,833	16,475,850
(2) Investments carried at fair value through Profit and Loss			
Quoted			
(a) Investments in Equity Instruments	460,215	694,619	713,694
(b) Investments in Mutual Funds	251,221,328	17,156,531	19,469,935
Unquoted			
(a) Investments in Equity Instruments	47,541	47,041	351,791
Less : Impairment loss	(257,299)	-	-
	251,471,784	17,898,191	20,535,420
(3) Investments carried at Cost			
Unquoted			
(a) Investments in Equity Instruments	4,000	4,000	4,000
(b) Investments in Preference Shares	-	1,000,000	1,000,000
(c) Investments in debentures or bonds	4,645,637	4,962,086	6,305,370
	4,649,637	5,966,086	7,309,370
Less: Allowances for Impairment Loss	-	-	-
Total (A)	256,121,421	27,170,110	44,320,641
(i) Investments outside India	-	-	-
(ii) Investments in India	256,121,421	27,170,110	44,320,641
Total (B)	256,121,421	27,170,110	44,320,641
Less: Allowances for Impairment Loss	-	-	-
TOTAL	256,121,421	27,170,110	44,320,641
Aggregate amount of quoted investments	251,681,542	21,156,983	36,659,479
Market value of quoted investments	251,681,542	21,156,983	36,659,479
Aggregate amount of unquoted investments	4,697,178	6,013,127	7,661,161
Aggregate amount of impairment in the value of investments	-	-	-
Investments carried at amortised cost	-	-	-
Investments carried at fair value through other comprehensive income	-	3,305,833	16,475,850
Investments carried at fair value through profit and loss	251,471,784	17,898,191	20,535,420
Investments carried at cost	4,649,637	5,966,086	7,309,370
NOTE NO 9. OTHER FINANCIAL ASSETS			
Security Deposits	79,850	55,064	11,620
Income accrued but not due	5,898,536	2,388,368	-
Other financial assets	20,000	15,000	-
Interest accrued and due	6,491,632	-	11,876,230
Less: Loss allowance on interest accrued and due	-	-	(10,986,166)
Total	12,490,018	2,458,432	901,684

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 10. INCOME TAX
Deferred Tax (Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Deferred tax relates to the following:			
Accelerated Depreciation for tax purposes	(184,502)	-	-
Revaluation of Land and buildings to fair value	-	-	-
Revaluation of FVTOCI investments to fair value	-	-	-
Revaluation of FVTOCI hedge loan to fair value	-	-	-
Post employment medical benefits	-	-	-
Gratuity	13,223	-	-
Leave Encashment	82,240	-	-
Revaluation of cash flow hedges	-	-	-
Impairment on FVTOCI debt instruments	-	-	-
Unrealised net loss on fair value changes	1,987,098	1,824,577	3,145,871
Convertible Preference shares	-	-	-
Losses available for offsetting against future taxable income	-	-	-
Other temporary differences	1,804,818	431,833	56,505
MAT Credit Entitlement	4,077,292	9,854,797	9,376,405
Net Deferred Tax Assets / (Liabilities)	7,780,168	12,111,207	12,578,781

Movement in deferred tax liabilities/assets

Particulars	March 31, 2020	March 31, 2019
Opening balance as of April 1	12,111,207	12,578,781
Tax income/(expense) during the period recognised in profit or loss	(5,777,505)	478,392
Tax income/(expense) during the period recognised in OCI	1,446,466	(945,966)
Closing balance as at March 31	7,780,168	12,111,207

	March 31, 2020	March 31, 2019	April 1, 2018
Unrecognised deferred tax assets			
Unrecognised tax losses	3,957,005	1,545,406	1,895,557

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority

Tax losses which arose in India of INR 1,77,79,498 (Previous year INR 2,02,46,059) that are available for offsetting for eight years against future taxable profits of the company. Majority of these losses will expire in March 2027.

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of tax losses carried forward by the Company.

Major Components of income tax expense for the years ended March 31, 2019 and March 31, 2020 are as follows:

	(Amount in INR)	
i. Income tax recognised in profit or loss	March 31, 2020	March 31, 2019
Current income tax charge	20,522,495	1,147,390
Adjustment in respect of current income tax of previous year	-	-
MAT Credit Entitlement- (Credit) / Reversal	5,777,505	(478,392)
Deferred tax		
Relating to origination and reversal of temporary differences	(1,218,724)	1,645,688
Income tax expense recognised in profit or loss	25,081,276	2,314,686
ii. Income tax recognised in OCI		
Unrealised (gain)/loss on FVTOCI debt securities	246,522	737,926
Net loss/(gain) on remeasurements of defined benefit plans	(18,780)	(38,204)
Income tax expense recognised in OCI	227,742	699,722

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
iii. Amounts recognised directly in equity

	March 31, 2020	March 31, 2019
Aggregate current and deferred tax arising in the reporting period and not recognised in profit or loss or other comprehensive income but directly debited/(credited) to equity		(3,202,376)
Current Tax: e.g transaction costs		-
Deferred Tax: Unrealised net loss on fair value changes		(3,145,871)
Others		(56,505)

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2019 and March 31, 2020

	March 31, 2020	March 31, 2019
Profit before tax from continuing operations	91,517,967	17,373,141
Profit before tax from discontinuing operations		
Accounting profit before income tax	91,517,967	17,373,141
Enacted tax rate in India	27.82	26.00
Income tax on accounting profits	25,460,298	4,517,017
Effect of		
Items considered separately under Income Tax	(1,375,009)	(240,749)
Recognition of deferred tax relating to origination and reversal of temporary differences	(1,218,724)	1,645,688
Losses carried forward to future years	-	-
Other non deductible expenses	2,264,655	(3,164,970)
Other non taxable income		
Others	(49,945)	(442,300)
Tax at effective income tax rate	25,081,276	2,314,686

NOTE NO 11. INVESTMENT PROPERTY

Particulars	(Amount in INR)		
	Land*	Buildings*	Total
GROSS CARRYING VALUE			
As at April 1, 2018	-	-	-
Additions	25,700,000	37,175,000	62,875,000
Deletions	-	-	-
Transfers to and from inventories and owner-occupied property	-	199,172	199,172
As at March 31, 2019	25,700,000	37,374,172	63,074,172
Additions	-	872,000	872,000
Deletions	-	-	-
Transfers to and from inventories and owner-occupied property			
As at March 31, 2020	25,700,000	38,246,172	63,946,172
ACCUMULATED DEPRECIATION AND IMPAIRMENT			
As at April 1, 2018	-	-	-
Depreciation	-	633,993	633,993
As at March 31, 2019	-	633,993	633,993
Depreciation	-	789,295	789,295
As at March 31, 2020	-	1,423,288	1,423,288
Net Carrying value as at March 31, 2020	25,700,000	36,822,884	62,522,884
Net Carrying value as at March 31, 2019	25,700,000	36,740,179	62,440,179
Net Carrying value as at April 1, 2018	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
Notes :
i. Amount recognised in the statement of profit and loss for investment properties

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
Rental Income	665,800	50,080
Direct Operating expenses from property that generated rental income	188,686	172,829
Direct Operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	477,114	(122,749)
Depreciation	789,295	633,993
Profit from investment properties	(312,181)	(756,742)

ii. Leasing Arrangements

Certain investment properties are leased to tenants under long term operating leases with rentals payable monthly. Minimum Lease payments receivable under non-cancellable operating leases of investment properties are as follows:

Within one year	162,500	-
Later than one year but not later than 5 years	-	-
Later than 5 years	-	-

iii. Contractual Obligations

Refer to Note 40 for disclosure of contractual obligations to purchase, construct or develop investment property or for its repairs, maintenance or enhancements.

Fair value

The fair value of the investment property (Buildings) as at March 31, 2020 is Rs. 562.84 Lakhs (March 31, 2019: Rs. 534.17 Lakhs)

*** Details of Investment Property- Fair Valuation Report not available**

Particulars	Building (under construction)	Land
Date of Purchase	29-06-2018	43,280
Address	Khar (West), Mumbai -400052	Indore
Area	44.81 sq mtr Carpet Area	1.380 Acre
Nature	Residential	-
Purchase Cost (all inclusive)	27,545,600	25,700,000
Any Income derived	NA	NA
Reason for Valuation Report not available	This property is under construction therefore the fair value of the property to be reliably measurable when construction is complete or it shall measure the fair value of that investment property either when its fair value becomes reliably measurable or construction is completed (whichever is earlier).	The Management was not able to obtain valuation report for Land at Indore as the said Investment Property is located at Indore, Madhya Pradesh which is at a significant distance from the place of Operations of the Company and as a result of outbreak of Covid -19 it was not possible to complete the process of Valuation.

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company consider information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by independent valuer. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.

Generally, a change in the assumption made for the estimated rental value is accompanied by:

- A directionally similar change in the rent growth per annum and discount rate (and exit yield)
- An opposite change in the long term vacancy rate

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 12. PROPERTY, PLANT AND EQUIPMENT

(Amount in INR)

Particulars	Buildings	Furniture and Fixtures	Vehicles	Office Equipments	Computer Hardwares	Total
GROSS CARRYING VALUE						
As at April 1, 2018*	9,933,408	460,193	201,776	233,769	37,588	10,866,734
Additions	-	-	-	-	30,466	30,466
Disposals	-	-	-	-	-	-
Other Adjustments	(199,172)	-	-	-	-	(199,172)
As at March 31, 2019	9,734,236	460,193	201,776	233,769	68,054	10,698,028
Additions	-	1,016,282	-	562,345	399,324	1,977,951
Disposals	-	-	-	(23,505)	-	(23,505)
Other Adjustments	-	-	-	-	-	-
As at March 31, 2020	9,734,236	1,476,475	201,776	772,609	467,378	12,652,474
ACCUMULATED DEPRECIATION/IMPAIRMENT						
As at April 1, 2018	-	-	-	-	-	-
Depreciation for the year	483,757	88,847	63,015	86,810	21,742	744,171
Deductions\Adjustments during the period	(9,700)	-	-	-	-	(9,700)
As at March 31, 2019	474,057	88,847	63,015	86,810	21,742	734,472
Depreciation for the year	450,971	65,845	43,335	60,843	92,084	713,078
Deductions\Adjustments during the period	-	-	-	(2,017)	-	(2,017)
As at March 31, 2020	925,028	154,692	106,350	145,636	113,826	1,445,532
Net Carrying value as at March 31, 2020	8,809,208	1,321,783	95,426	626,973	353,551	11,206,942
Net Carrying value as at March 31, 2019	9,260,179	371,346	138,761	146,959	46,312	9,963,557
Net Carrying value as at April 1, 2018	9,933,408	460,193	201,776	233,769	37,588	10,866,734

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
Notes:
i. Property, Plant and Equipment pledged as security against borrowings by the company

Refer to Note 46 for information on property, plant and equipment pledge as security by the company

ii. Contractual Obligations

Refer to Note 40 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

*The company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April 2018 (Transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

NOTE NO. 13. INTANGIBLE ASSETS

Particulars	(Amount in INR)	
	Computer Software	Total
GROSS CARRYING VALUE		
As at April 1, 2018	-	-
Additions	150,000	150,000
Deletions	-	-
As at March 31, 2019	150,000	150,000
Additions	-	-
Deletions	-	-
As at March 31, 2020	150,000	150,000
ACCUMULATED AMORTISATION AND IMPAIRMENT		
As at April 1, 2018	-	-
Amortisation for the year	29,014	29,014
Deductions\Adjustments during the period	-	-
As at March 31, 2019	29,014	29,014
Amortisation for the year	30,000	30,000
Deductions\Adjustments during the period	-	-
As at March 31, 2020	59,014	59,014
Net Carrying value as at March 31, 2020	90,986	90,986
Net Carrying value as at March 31, 2019	120,986	120,986
Net Carrying value as at April 1, 2018	-	-

NOTE NO. 14. OTHER ASSETS

Particulars	(Amount in INR)		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Non Current			
Capital Advances	3,015,948	3,015,948	11,515,948
Less : Impairment Loss Allowance	(1,005,316)	-	-
Advances other than Capital advances			
- Other Advances	578,220	116,470	1,284,296
Others			
- Prepaid expenses	14,933	14,508	24,016
- Payment of Taxes (Net of Provisions)	713,919	713,919	713,919
Less : Impairment Loss Allowance	(226,292)	-	-
- Balances with Statutory, Government Authorities	185,914	1,323	61,820
Total	3,277,325	3,862,167	13,599,998

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 15. PAYABLES

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade Payables			
Trade Payables to Micro, Small and Medium Enterprises	27,000	121,500	130,500
Trade Payables to Others	8,417,631	1,340,571	252,980
Total	8,444,631	1,462,071	383,480

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60-day terms
- For terms and conditions with related parties, refer note 41

NOTE 16. BORROWINGS
Secured

 (a) Loans repayable on demand
From Banks

803,193	-	-
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Unsecured

 (a) Loans from Related Parties
(b) Loans repayable on demand
From Other corporate company

-	24,010,356	-
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40,000,000	30,000,000	-
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Total (A)	40,803,193	54,010,356	-
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(i) Borrowings in India

40,803,193	54,010,356	-
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(ii) Borrowings outside India

-	-	-
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Total (B)	40,803,193	54,010,356	-
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NOTE 17. DEPOSITS
Deposits at amortised cost from

Others (Security Deposit)

310,250,577	51,376,540	300,000
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310,250,577	51,376,540	300,000
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Total	310,250,577	51,376,540	300,000
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Current Borrowings	Terms of Repayment	Interest Rate			
Secured					
Loan from bank - Overdraft facility*	Repayable on demand	14%	803,193	-	-
Unsecured					
Loan from Other corporate	Repayable on demand	12%	40,000,000	30,000,000	-
Loan from Related Party	Repayable on demand	10%	-	24,010,356	-

*** Security for Overdraft facility:-**

 a) **Primary Security** First Pari Passu hypothecation of present & future receivables (Net of Financial Charges, NPA, other charges, etc.)

 b) **Additional Collateral Security-** First and Exclusive charge by way of equitable mortgages on properties, as per laws applicable :

1. 3BHK on the 14th Floor, Flat at 1402, Highland Park, Lokhandwala, Andheri West, Mumbai.

2. 803, 8th Floor, Morya Blue Moon, Veera Desai Road, Opposite Citi Mall, Andheri Link Road, Andheri West, Mumbai

 c) **Personal Guarantee** of Mr. Mihir Ramesh Innani (Managing director)

The carrying amounts of financial and non-financial assets pledge as security for current borrowings are disclosed in Note 46

The company has not made any defaults in repayment of loans and interest.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
Net debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods specified :

(Amount in INR)

Particulars	Liabilities from financing activities		
	Non Current Borrowings	Current Borrowings	Total Borrowings
Net Debt as at April 1, 2018			
Cash Inflows	-	54,000,000	54,000,000
Cash Outflows	-	-	-
Interest Expense	-	1,367,452	1,367,452
Interest Paid	-	(1,357,096)	(1,357,096)
Net Debt as at March 31, 2019	-	54,010,356	54,010,356
Cash Inflows	-	45,554,654	45,554,654
Cash Outflows	-	(58,771,233)	(58,771,233)
Interest Expense	-	6,267,193	6,267,193
Interest Paid	-	(6,257,777)	(6,257,777)
Net Debt as at March 31, 2020	-	40,803,193	40,803,193

NOTE NO. 18. OTHER FINANCIAL LIABILITIES

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Others			
Creditors for expenses	28,483,887	2,425,251	-
Other Payables	7,948,989	467,886	289,180
Total	36,432,876	2,893,137	289,180
NON FINANCIAL LIABILITIES			
NOTE NO. 19. CURRENT TAX (NET)			
Opening balance	316,166	2,125,949	-
Add: Current tax payable for the year	20,522,495	-	2,125,949
Less: Taxes paid	(15,627,714)	(1,809,783)	-
	5,210,947	316,166	2,125,949
NOTE NO. 20. PROVISIONS			
Provision for employee benefits			
Gratuity	269,288	221,759	212,629
Leave encashment	545,528	249,915	204,787
Total	814,816	471,674	417,416
NOTE NO. 21. OTHER NON FINANCIAL LIABILITIES			
Income received in Advance	2,686,824	-	-
Statutory Liabilities*	3,821,004	793,557	49,661
Total	6,507,828	793,557	49,661

* It includes TDS, GST, PT and PF

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 22. SHARE CAPITAL
i. Authorised Share Capital

(Amount in INR)

	Equity Share	
	Number	Amount
At April 1, 2018	80,000,000	80,000,000
Increase/(decrease) during the year	-	-
At March 31, 2019	80,000,000	80,000,000
Increase/(decrease) during the year	-	-
At March 31, 2020	80,000,000	80,000,000

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

ii. Issued Capital

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2018	3,731,208	37,312,080
Issued during the period	-	-
At March 31, 2019	3,731,208	37,312,080
Issued during the period	-	-
At March 31, 2020	3,731,208	37,312,080

iii. Shares held by holding/ ultimate holding company and / or their subsidiaries / associates : Nil
iv. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	March 31, 2020		March 31, 2019	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid				
Anju Innani	2,005,994	53.76%	2,005,994	53.76%
Mikhil R Innai	664,712	17.81%	664,712	17.81%

v. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: Nil
vi. Shares reserved for issue under options : Nil
NOTE NO. 23. OTHER EQUITY
i. Reserves and Surplus

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
	Capital Reserve	196,000	196,000
Securities Premium Reserve	41,883,693	41,883,693	41,883,693
Retained Earnings	139,647,955	86,325,210	73,069,302
Special Reserve (Statutory Reserve)	33,725,265	20,425,265	17,347,797
	215,452,913	148,830,168	132,496,792

(a) Capital Reserve

	As at March 31, 2020	As at March 31, 2019
Opening balance	196,000	196,000
Add/(Less):	-	-
Closing balance	196,000	196,000

Amount received toward share premium on forfeited partly paid shares (9,800 shares for Rs. 15 each) transferred to Capital Reserve

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(b) Securities Premium Reserve

(Amount in INR)

	As at March 31, 2020	As at March 31, 2019
Opening balance	41,883,693	41,883,693
Add/(Less):	-	-
Closing balance	41,883,693	41,883,693

The amount received in excess of face value of the equity shares is recognised in Share premium reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

(c) Retained Earnings

Opening balance	88,025,037	74,769,129
Net Profit/(Loss) for the period	66,436,691	15,058,455
Add/(Less):		
Transfer to Special Reserve (Statutory Reserve)	(13,300,000)	(3,077,468)
Others	(3,138,719)	1,175,796
<i>Items of Other Comprehensive Income directly recognised in Retained Earnings</i>		
Remeasurement of post employment benefit obligation, net of tax	48,725	99,125
Closing balance	138,071,734	88,025,037

(d) Special Reserve (Statutory Reserve)

Opening balance	20,425,265	17,347,797
Add/(Less):	13,300,000	3,077,468
Closing balance	33,725,265	20,425,265

The amount INR 1,33,00,000 (Previous Year: INR 30,77,468) appropriated out of the Surplus to Special Reserve as prescribed by section 45-IC of the Reserve Bank of India Act, 1934, being 20% of the profit after taxes for the year ended March 31, 2020.

ii. Components of Other Comprehensive Income

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Debt Instruments through OCI	(2,396,186)	(1,576,221)	1,699,826
	(2,396,186)	(1,576,221)	1,699,826

Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

(Amount in INR)

Particulars	Debt Instruments through OCI	Other items of Other Comprehensive Income	Total
As at April 1, 2018	1,699,826	-	1,699,826
Reclassified to statement of profit or loss	(3,276,048)	99,125	(3,176,923)
As at March 31, 2019	(1,576,221)	99,125	(1,477,096)
Reclassified to statement of profit or loss	(819,965)	48,725	(771,240)
As at March 31, 2020	(2,396,186)	147,850	(2,248,336)

PROFIT AND LOSS
NOTE 24. INTEREST INCOME

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest Income on Financial Assets measured at Amortised Cost		
Interest on loans	70,462,674	13,078,580
Interest income from Investments	237,840	1,643,909
Interest on deposits from banks	-	19,209
	70,700,514	14,741,698
Total	70,700,514	14,741,698

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 25. DIVIDEND INCOME

Particulars	(Amount in INR)	
	As at March 31, 2020	As at March 31, 2019
Dividend Income	2,444	226,631
Total	2,444	226,631

NOTE NO. 26. RENTAL INCOME

Rental Income	665,800	50,080
Total	665,800	50,080

NOTE NO. 27. FEES AND COMMISSION INCOME

Fees and Commission Income	206,939,986	10,688,836
Other income	-	-
Total	206,939,986	10,688,836

NOTE NO. 28. NET GAIN ON FAIR VALUE CHANGES
(A) Net gain on financial instruments at fair value through profit or loss

(i) On trading portfolio		
- Investments	4,088,716	3,625,063
(ii) Equity investment at FVTPL	14,746	6,166,242

(B) Others

(i) Gain on sale of debt FVOCI instrument	59,912	118,110
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Total Net gain on fair value changes	4,163,374	9,909,415
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Fair Value changes:

-Realised	3,131,616	1,945,221
-Unrealised	1,031,767	7,964,206
	4,163,383	9,909,427

NOTE NO. 29. OTHER INCOME

Late payment charges income	5,103,672	88,319
Miscellaneous Income*	529,366	1,219,109
	5,633,038	1,307,429

*It includes Discount income, excess provision written back, etc.

NOTE NO. 30. FINANCE COST
Finance cost on financial liabilities measured at amortised cost

Interest on deposits	9,942,262	2,166,803
Interest on borrowings	2,420,986	82,740
Others	423,936	562
	12,787,184	2,250,105
	12,787,184	2,250,105

NOTE NO. 31. FEES AND COMMISSION EXPENSE

Fees and Commission expense	149,331,265	4,845,057
Total	149,331,265	4,845,057

NOTE NO. 32. NET LOSS ON FAIR VALUE CHANGES
(A) Net loss on financial instruments at fair value through profit or loss

(i) On trading portfolio		
(ii) Equity investment at FVTPL	248,650	309,914
	248,650	309,914

Total Net gain on fair value changes	248,650	309,914
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Fair Value changes:

-Realised	-	275,954
-Unrealised	248,650	33,960
	248,650	309,914

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 33. IMPAIRMENT ON FINANCIAL INSTRUMENT

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
(A) On financial instruments measured at fair value through OCI		
(i) Investments	327,000	-
(ii) Debt securities	13,364	-
	<u>340,364</u>	
(B) On financial instruments measured at amortised cost		
(i) Loans	5,275,199	976,408
(ii) Investments	257,299	-
	<u>5,532,498</u>	<u>976,408</u>
Total	<u>5,872,862</u>	<u>976,408</u>

NOTE NO. 34. EMPLOYEE BENEFITS EXPENSE

Salaries, wages and bonus	8,141,041	5,045,911
Contribution to provident and other funds	423,179	146,459
Staff welfare expenses	106,055	674,819
	<u>8,670,275</u>	<u>5,867,189</u>

NOTE NO. 35. DEPRECIATION AND AMORTISATION EXPENSE

Depreciation on tangible assets	713,078	734,471
Amortisation on intangible assets	30,000	29,014
Depreciation on investment properties	789,295	633,993
	<u>1,532,373</u>	<u>1,397,478</u>

NOTE NO. 36. OTHER EXPENSES

Repairs and maintenance		
Factory Building	506,209	376,882
Others	39,572	22,998
Advertisement	40,701	48,368
Business Promotion expense	427,399	41,973
Auditor's remuneration	162,158	181,808
Commission	10,022	48,643
Bad Debts written off	5,344	245
Electricity charges	179,340	159,500
Insurance	9,447	9,273
Legal and professional fees	1,514,630	468,100
Net loss on disposal of property, plant and equipment	14,888	-
Rates and taxes	11,935,516	579,512
Printing and Stationery	71,169	84,012
Telephone and internet expenses	79,381	139,752
Travelling & conveyance expenses	29,565	47,487
Impairment Loss Allowance on other asset	1,762,945	-
Bank charges	151,253	29,093
Miscellaneous expenses	744,940	1,339,098
Listing fees	300,000	250,000
Share registration expenses	159,944	147,650
Custodian and depository charges	41,558	96,902
Total	<u>18,185,978</u>	<u>4,071,296</u>

(a) Details of Payments to auditors

As auditor		
Audit Fee	100,000	100,000
Tax audit fee	20,000	20,000
Limited review fee	-	30,000
In other capacity		
Taxation matters	15,000	15,000
Other services (certification fees)	24,500	7,500
Re-imburement of expenses	2,658	9,308
	<u>162,158</u>	<u>181,808</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 37. EXCEPTIONAL ITEMS

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
Displacement Hardship Allowance*	(41,400)	(166,500)
	(41,400)	(166,500)

*Received as per agreement of the re-development of the building

NOTE NO. 38. EARNINGS PER SHARE

(a) Basic earnings per share	17.79	3.99
(b) Dilluted earnings per share	17.79	3.99

(c) Reconciliations of earnings used in calculating earnings per share

Profit attributable to the equity holders of the company used in calculating basic earnings per share	66,395,291	14,891,955
Add/Less : Adjustments for calculation of dilluted earnings per share	-	-
Profit attributable to the equity holders of the company used in calculating dilluted earnings per share	66,395,291	14,891,955

(d) Weighted average number of shares used as the denominator

Weighted average number of equity shares used as the denominator in calculating basic earnings per share	3,731,208.00	3,731,208.00
Add/Less : Adjustments for calculation of dilluted earnings per share	-	-
Weighted average number of equity shares used as the denominator in calculating dilluted earnings per share	3,731,208.00	3,731,208.00

39. EMPLOYEE BENEFIT OBLIGATIONS

(Amount in INR)

	As at March 31, 2020			As at March 31, 2019		
	Current	Non Current	Total	Current	Non Current	Total
Leave obligations	68,694	476,834	545,528	34,391	215,524	249,915
Gratuity	174,442	94,846	269,288	102,236	119,523	221,759
Total Employee Benefit Obligation	243,136	571,680	814,816	136,627	335,047	471,674

(i) Leave Obligations

The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of INR 68,694 (March 31, 2019: INR 34,39) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employment obligations
a) Gratuity

The company provides for gratuity for employees in india as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows

(Amount in INR)

	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2018	905,536		905,536
Current service cost	129,789		129,789
Interest expense/(income)	70,994		70,994
Total amount recognised in profit or loss	1,106,319	-	1,106,319
<i>Remeasurements</i>			
(Gain)/Loss from change in financial assumptions	11,143		11,143
Experience (gains)/losses	(188,127)		(188,127)
Total amount recognised in other comprehensive income	(176,984)	-	(176,984)
Benefit payments	(478,846)		(478,846)
As at March 31, 2019	450,489	-	450,489
Current service cost	102,236		102,236
Interest expense/(income)	30,487		30,487
Total amount recognised in profit or loss	132,723	-	132,723
<i>Remeasurements</i>			
(Gain)/Loss from change in demographic assumptions	162		162
(Gain)/Loss from change in financial assumptions	13,638		13,638
Experience (gains)/losses	(68,857)		(68,857)
Total amount recognised in other comprehensive income	(55,057)	-	(55,057)
As at March 31, 2020	528,155	-	528,155

The net liability disclosed above relates to funded and unfunded plans are as follows:

(Amount in INR)

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Present value of funded obligations	528,155	450,489	905,536
Fair value of plan assets	(258,867)	(228,730)	(692,907)
Deficit of funded plan	269,288	221,759	212,629
Unfunded plans	-	-	-
Deficit of gratuity plan	269,288	221,759	212,629

The significant actuarial assumptions were as follows:

Discount rate	6.60%	7.50%	7.84%
Expected return on plan assets	6.60%	7.50%	7.84%
Salary growth rate	0% p.a for next 1 year & 10.00% p.a thereafter	10.0%	10.0%

A quantitative sensitivity analysis for significant assumption is shown below:

Assumptions	Discount rate		Withdrawal rate (W.R)		Salary growth rate	
	0.5% increase	0.5% decrease	10% increase	10% decrease	0.5% increase	0.5% decrease
March 31, 2019						
Impact on defined benefit obligation	434,280	467,874	443,236	458,407	467,385	434,567
% Impact	-3.60%	3.86%	-1.61%	1.76%	3.75%	-3.53%
March 31, 2020						
Impact on defined benefit obligation	508,343	549,475	517,116	540,412	548,805	508,747
% Impact	-3.75%	4.04%	-2.09%	2.32%	3.91%	-3.67%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

The following payments are expected contributions to the defined benefit plan in future years: (Amount in INR)

	As at March 31, 2020	As at March 31, 2019
Within the next 12 months	174,442	102,236
Between 2 and 5 years	198,387	98,516
Between 5 and 10 years	267,809	250,409
Total expected payments	640,638	451,161

The average duration of the defined benefit plan obligation at the end of the reporting period is 6.83 years

(iii) Defined contribution plans

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 1,36,876 (March 31, 2019: INR Nil)

NOTE NO. 40. COMMITMENTS AND CONTINGENCIES
A. Commitments
i. Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows: (Amount in INR)

	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advance against property	16,212,928	16,212,928	16,212,928
Estimated amounts of contracts remaining to be executed (Net of Advances)			

ii. Leases
Operating lease commitments - Company as lessor

The Company has entered into an operating lease on its investment property consisting of a premise. This lease has a term of 3 years. Lease include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The total rents recognised as income during the year is INR 6,65,800/- (March 31, 2019: INR 50,080 /-).

Minimum lease rentals receivables in relation to non cancellable operating leases are as follows

Within one year	162,500	-	-
Later than one year but not later than five years	-	-	-
later than five years	-	-	-
	162,500	-	-

B. Contingent Liabilities

Claim against the company not acknowledged as debt	1,322,000	1,322,000	1,322,000
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Brief description of the nature of each contingent liability

Demand raised by Income Tax department against which the Company has preferred an appeal (A.Y.2005-06 As per Order U/s143(3) dt.11/09/2018)

NOTE NO. 41. RELATED PARTY TRANSACTIONS
(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Nature of Relationship
Anju Innani	Relative of KMP Managing Director (upto 24/07/2018)
Diksha Nangia	Chief Financial Officer & Director (Director- w.e.f 09/08/2019)
Mikhil Innani	Managing Director (w.e.f 11/09/2018)
Urvi Rathod	Company Secretary (w.e.f 08/07/2019)
Kshama Wazkar	Company Secretary (upto 08/07/2019)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(ii) Transactions with related parties

The following transactions occurred with related parties

(Amount in INR)

Name	Nature of Relationship	Nature of Transaction	March 31, 2020	March 31, 2019
Anju Innani	Relative of KMP	Interest on Loan	665,205	82,740
	Relative of KMP	Loan Received	-	24,000,000
	Relative of KMP	Loan Repayment	24,000,000	-
	KMP	Director Remuneration	-	152,400
Diksha Nangia	KMP	Director Remuneration	1,075,000	-
	KMP	Salary		1,020,000
Mikhail Innani	KMP	Director Remuneration	1,380,000	160,000
Urvi Rathod	KMP	Salary	274,581	-
Kshama Wazkar	KMP	Salary	91,336	301,818
(iii) Transactions with related parties				
Loans from related parties				
Anju Innani	Beginning of the year		24,010,356	-
	Loans received		-	24,000,000
	Loan repayments made		24,010,356	-
	Interest charged		665,205	82,740
	Interest paid		665,205	71,233
	End of the year		-	24,010,356
(iv) Key management personnel compensation				
Short term employee benefits			2,729,581	614,218
			2,729,581	614,218

(v) Terms and conditions of transactions with related parties

All the arrangements and transactions entered into by the company with related parties, during the financial year 2019-20 were in ordinary course of business and on arm's length price.

NOTE NO. 42. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoter of the Company. The Company operates only in one Business Segment i.e. finance and investments, since the nature of the business are exposed to similar risks and return profiles, hence they are collectively operating under a single segment. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 43. FAIR VALUE MEASUREMENTS
i. Financial Instruments by Category

(Amount in INR)

Particulars	Carrying Amount			Fair Value		
	March 31, 2020	March 31, 2019	April 1, 2018	March 31, 2020	March 31, 2019	April 1, 2018
FINANCIAL ASSETS						
Amortised cost						
Investments in Preference Shares	-	1,000,000	1,000,000	-	1,000,000	1,000,000
Investments in Bonds and Debentures	4,645,637	4,962,086	6,305,370	4,645,637	4,962,086	6,305,370
Investments in Equity instruments	4,000	4,000	4,000	4,000	4,000	4,000
Other Receivables	1,060,181	3,982,852	-	1,060,181	3,982,852	-
Loans	289,361,900	164,532,242	68,872,268	289,361,900	164,532,242	68,872,268
Cash and Cash Equivalents	14,921,852	9,247,796	23,316,825	14,921,852	9,247,796	23,316,825
Other Bank Balances	-	-	617,454	-	-	617,454
Other Financial Assets	12,490,018	2,458,432	901,684	12,490,018	2,458,432	901,684
FVTOCI						
Investments in Bonds and Debentures	-	3,246,433	14,702,350	-	3,246,433	14,702,350
Investment in Preference shares (unquoted)	-	59,400	1,773,500	-	59,400	1,773,500
FVTPL						
Investment in Equity Instruments	250,457	741,660	1,065,485	250,457	741,660	1,065,485
Investments in Mutual Funds	251,221,328	17,156,531	19,469,935	251,221,328	17,156,531	19,469,935
Total	573,955,372	207,391,431	138,028,871	573,955,372	207,391,431	138,028,871
FINANCIAL LIABILITIES						
Amortised cost						
Borrowings	40,803,193	54,010,356	-	40,803,193	54,010,356	-
Trade Payables	8,444,631	1,462,071	383,480	8,444,631	1,462,071	383,480
Other financial liabilities	36,432,876	2,893,137	289,180	36,432,876	2,893,137	289,180
Deposit	310,250,577	51,376,540	300,000	310,250,577	51,376,540	300,000
Total	395,931,277	109,742,104	972,660	395,931,277	109,742,104	972,660

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, loans, other current financial assets and liabilities and deposits approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the equity and debt investment which are quoted, are derived from quoted market prices in active markets.

The fair value of the financial instruments that are not traded in an active market i.e. are unquoted is determined using valuation techniques with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement:

(Amount in INR)

Particulars	March 31, 2020				March 31, 2019			
	Fair value measurement using				Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Financial Assets								
Financial Investments at FVTPL								
Quoted equity shares	250,457	-	-	250,457	741,660	-	-	741,660
Mutual Funds	251,221,328	-	-	251,221,328	17,156,531	-	-	17,156,531
Financial Investments at FVTOCI								
Unquoted preference share	-	-	-	-	-	-	59,400	59,400
Debt Instruments	-	-	-	-	3,246,433	-	-	3,246,433
Total Financial Assets	251,471,784	-	-	251,471,784	21,144,624	-	59,400	21,204,024
Other Assets	-	-	-	-	-	-	-	-
Total Assets	251,471,784	-	-	251,471,784	21,144,624	-	59,400	21,204,024
Total Liabilities	-	-	-	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in INR)

Particulars	April 1, 2018			Total
	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets				
Financial Investments at FVTPL				
Quoted equity shares	1,065,485	-	-	1,065,485
Mutual Funds	19,469,935	-	-	19,469,935
Financial Investments at FVTOCI				
Unquoted preference share	-	-	1,773,500	1,773,500
Debt Instruments	14,702,350	-	-	14,702,350
Total Financial Assets	35,237,771	-	1,773,500	37,011,271
Other Assets	-	-	-	-
Total Assets	35,237,771	-	1,773,500	37,011,271
Total Liabilities	-	-	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the period

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted shares included in level 3.

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iv. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee. Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

v. Reconciliation of fair value measurement of financial assets classified as FVTOCI (Level 3):

(Amount in INR)

Particulars	Unquoted debentures	Unquoted preference shares
As at April 1, 2018	14,702,350	1,773,500
Remeasurement recognised in OCI	(1,897,378)	(894,600)
Purchases	1,136,375	
Sales	(10,694,915)	(819,500)
As at March 31, 2019	3,246,433	59,400
Remeasurement recognised in OCI	(1,334,086)	267,600
Purchases		
Sales	(1,898,983)	-
Impairment	(13,364)	(327,000)
As at March 31, 2020	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 44. FINANCIAL RISK MANAGEMENT

The company's activity expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements.

Risk	Exposure arising from
Credit risk	Cash and cash equivalents, other bank balance, trade & other receivables, loans, financial assets measured at amortised cost.
Liquidity risk	Borrowings and other financial liabilities
Market risk – interest rate	Long-term borrowings at variable rates and Investment in debt securities
Market risk – security prices	Investments in equity and debt securities and units of mutual funds

(A) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents,

i. Credit risk management

The company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed on a group basis for loans with

Significant estimates and judgements :

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due and is therefore calculated in Stage 3 (Credit impaired). This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

(a) Probability of Default Estimation (PD) : It is an estimate of the likelihood of default over a given time. PD estimation process is done based on historical internal data available with the Company. Company calculates the 12 month PD by taking into account the past historical trends and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

(b) Exposure at Default (EAD) : The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation. To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL. For stage 2 and stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

(c) Loss Given Default (LGD) : It is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any security, if any.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

(Amount in INR)

ii. Provision for expected credit losses on loans

Particulars		Internal credit rating	March 31, 2020			
			Estimated gross carrying amount at default	Expected Credit loss amount	Carrying amount net of impairment provision	ECL coverage
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Stage 1	27,27,19,092	26,95,236	27,00,23,856	0.99%
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Stage 2	2,06,88,287	26,04,627	1,80,83,660	12.59%
	Financial assets for which credit risk has increased significantly and credit-impaired	Stage 3	24,23,458	11,69,075	12,54,383	48.24%

Particulars		Internal credit rating	March 31, 2019			
			Estimated gross carrying amount at default	Expected Credit loss amount	Carrying amount net of impairment provision	ECL coverage
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Stage 1	16,55,51,281	11,78,653	16,43,72,628	0.71%
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Stage 2	1,74,699	15,085	1,59,614	8.63%
	Financial assets for which credit risk has increased significantly and credit-impaired	Stage 3	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in INR)

Particulars	Internal credit rating	April 1, 2018			ECL coverage	
		Estimated gross carrying amount at default	Expected Credit loss amount	Carrying amount net of impairment provision		
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Stage 1	2,03,09,298	2,17,330	2,00,91,968	1.07%
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Stage 2	-	-	-	-
	Financial assets for which credit risk has increased significantly and credit-impaired	Stage 3	5,43,67,000	55,86,700	4,87,80,300	10.28%

ii. Reconciliation of loss allowance provision - loans

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time expected losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired
Loss allowance on April 1, 2018	217,330	-	5,586,700
Add(Less): Changes in loss allowances due to			
Assets originated or purchased	1,100,475	15,085	-
Modification of contractual cash flows that did not result in derecognition	-	-	-
Recoveries	(139,152)	-	(5,586,700)
Changes in risk parameters#	-	-	-
Change in measurement from 12-month to life time expected losses or vice-versa	-	-	-
Loss allowance on March 31, 2019	1,178,653	15,085	-
Loss allowance on April 1, 2019	1,178,653	15,085	-
Add(Less): Changes in loss allowances due to			
Assets originated or purchased	2,632,131	2,597,242	1,132,320
Modification of contractual cash flows that did not result in derecognition	-	-	-
Write-offs	-	-	-
Recoveries	(1,071,408)	(15,085)	-
Changes in risk parameters#	(7,385)	7,385	-
Change in measurement from 12-month to life time expected losses or vice-versa	(36,755)	-	36,755
Loss allowance on March 31, 2020	2,695,236	2,604,627	1,169,075

The change in the loss allowance is due to changes in the probability of default used to calculate 12-month expected credit loss

Policy for write off of loan assets : Loans are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

(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 underlying businesses, company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. 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.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

(Amount in INR)

Particulars	At as March 31, 2020	At as March 31, 2019	At as April 1, 2018
Fixed rate	803,193	-	-
- Bank overdraft facility	-	-	-
- Inter corporate loan	40,000,000	30,000,000	-
- Loan from related party	-	24,010,356	-
	40,803,193	54,010,356	-

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows, if any

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
Contractual maturities of financial liabilities

(Amount in INR)

Particulars	Carrying amount	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	Total
March 31, 2020					
Non-derivatives					
Borrowings	40,803,193	40,803,193	-	-	40,803,193
Deposits	310,250,577	310,250,577	-	-	310,250,577
Trade payables	8,444,631	8,444,631	-	-	8,444,631
Other financial liabilities	36,432,876	36,432,876	-	-	36,432,876
Total non derivative liabilities	395,931,277	395,931,277	-	-	395,931,277
March 31, 2019					
Non-derivatives					
Borrowings	54,010,356	54,010,356	-	-	54,010,356
Deposits	51,376,540	51,376,540	-	-	51,376,540
Trade payables	1,462,071	1,462,071	-	-	1,462,071
Other financial liabilities	2,893,137	2,893,137	-	-	2,893,137
Total non derivative liabilities	109,742,104	109,742,104	-	-	109,742,104
April 1, 2018					
Non-derivatives					
Borrowings	-	-	-	-	-
Deposits	300,000	300,000	-	-	300,000
Trade payables	383,480	383,480	-	-	383,480
Other financial liabilities	289,180	289,180	-	-	289,180
Total non derivative liabilities	972,660	972,660	-	-	972,660

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: interest rate risk and other price risk such as equity price risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable and competitive cost of funding.

During the periods presented in the financial statements, the Company has primarily borrowed funds under fixed interest rate arrangements with banks, corporate company and related part and therefore the Company is not significantly exposed to interest rate risk on them.

The Company is mainly exposed to the interest rate risk due to its investment in bonds. The interest rate risk arises due to uncertainties about the future market interest rate on these investments.

(a) Interest rate risk exposure

(Amount in INR)

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Variable rate borrowings	-	-	-
Fixed rate borrowings	40,803,193	30,000,000	-
Investment in debentures and bonds	4,645,637	8,208,519	21,007,720
Total	40,803,193.00	30,000,000	-

(b) Sensitivity

The table below sets out the effect on profit or loss and other components of equity due to reasonable possible increase/ decrease in prices of 1% with all other variables held constant:

1% increase in Interest rate (2019 - 1%, 2018 - 1%)	46,456	82,085	210,077
1% decrease in Interest rate (2019 - 1%, 2018 - 1%)	(46,456)	(82,085)	(210,077)

(ii) Price risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables whether caused by factors specific to an individual investment, its issuer or the market

(a) Exposure

The company's exposure to listed and unlisted equity, preference, debt and mutual fund securities price risk arises from investments held by the company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

Exposure to price risk	256,121,421	27,170,110	44,320,641
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(b) Sensitivity

The table below sets out the effect on profit or loss and other components of equity due to reasonable possible increase/ decrease in prices of 1% with all other variables held constant:

Increase in price 1% (2019 - 1%, 2018 - 1%)	2,561,214	271,701	443,206
Decrease in price 1% (2019 - 1%, 2018 - 1%)	(2,561,214)	(271,701)	(443,206)

Profit for the period would increase/decrease as a result of gains/losses on securities classified as at fair value through profit or loss. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as fair value through other comprehensive income.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 45. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

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

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Capital to Risk Assets Ratio (CRAR) %	40.08%	69.66%	132.55%
CRAR – Tier I capital (%)	40.08%	69.66%	132.55%
CRAR – Tier II capital (%)	0%	0%	0%
Amount of subordinate debt raised as Tier II capital	Nil	Nil	Nil
Amount raised by issue of Perpetual Debt Instruments	Nil	Nil	Nil

Tier 1 capital, which comprises share capital, Statutory Reserve, and retained earnings including current year profit. Certain adjustments are made to ind AS-based results and reserves, as prescribed by the Reserve Bank of India Tier 2 Capital includes subordinated debt.

NOTE NO. 46. ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for current and non current borrowings are:

CURRENT ASSETS
i. Financial Assets
First Charge

Loans & Advances	289,361,900	-	-
Total current assets pledge as security	289,361,900	-	-

NON CURRENT ASSETS
First Charge

Freehold building	8,657,769	-	-
Investment properties	180,245	-	-
Total non current assets pledge as security	8,838,014	-	-

NOTE NO. 47. EVENTS AFTER THE REPORTING PERIOD

There have been no events after the reporting date that require adjustment/disclosure in these financial statements.

NOTE NO. 48. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

Principal amount due to suppliers under MSMED Act, 2006	27,000	121,500	130,500
Interest accrued and due to suppliers under MSMED Act, on the above amount*	-	-	-
Payment made to suppliers (other than in interest) beyond the appointed day, during the year	-	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-	-

* Interest due on the outstanding amount will be considered on actual basis i.e. payment basis

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**NOTE 49. FIRST TIME ADOPTION OF IND AS**

These are the company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 1 to 3 have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information presented in these financial statements for the year ended March 31, 2019 and in the preparation of an opening Ind AS balance sheet at April 1, 2018 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

1. Ind AS optional exemptions**i. Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets covered by Ind AS 38 - Intangible Assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties since there is no change in the functional currency. Accordingly, the company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

2. Ind AS mandatory exceptions**i. Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

ii. De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iii. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(iv) Impairment of financial assets

As set out in Ind AS 101, an entity shall apply the impairment requirements of Ind AS 109 retrospectively if it does not entail any undue cost or effort. The Company has assessed impairment of financial assets in conformity with Ind AS 109.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
i. Reconciliation of equity as at date of transition (April 1, 2018)

(Amount in INR)

Particulars	Note No.	IGAAP	Ind-AS Adjustments	Ind-AS
ASSETS				
Financial Assets				
(a) Cash and Cash Equivalents		23,316,825	-	23,316,825
(b) Bank Balances Other than (a) above		617,454	-	617,454
(c) Receivables				
(i) Other Receivables		-	-	-
(d) Loans	3	69,046,132	(173,864)	68,872,268
(e) Investments	1	41,971,213	2,349,428	44,320,641
(f) Other Financial Assets		901,684	-	901,684
		135,853,308	2,175,564	138,028,871
Non-financial Assets				
(a) Deferred Tax Assets (Net)	2	9,376,405	3,202,376	12,578,781
(b) Investment property		-	-	-
(c) Property, Plant and Equipment		10,866,734	-	10,866,734
(d) Other Intangible Assets		-	-	-
(e) Other Non-financial Assets		13,599,998	0	13,599,998
		33,843,137	3,202,376	37,045,513
TOTAL		169,696,444	5,377,940	175,074,385
EQUITY AND LIABILITIES				
Liabilities				
Financial Liabilities				
(a) Payables				
(i) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises		130,500	-	130,500
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		252,980	-	252,980
(b) Borrowings (Other than Debt Securities)		-	-	-
(c) Deposits		300,000	-	300,000
(d) Other financial liabilities		289,180	-	289,180
		972,660	-	972,660
Non-Financial Liabilities				
(a) Current Tax Liabilities (Net)		2,125,949	-	2,125,949
(b) Provisions		417,416	-	417,416
(c) Other non-financial liabilities		49,661	-	49,661
		2,593,026	-	2,593,026
Equity				
(a) Equity Share capital		37,312,080	-	37,312,080
(b) Other Equity		128,818,678	5,377,940	134,196,619
		166,130,758	5,377,940	171,508,699
Total		169,696,444	5,377,940	175,074,384

ii. Reconciliation of equity as at March 31, 2019

ASSETS				
Financial Assets				
(a) Cash and Cash Equivalents		9,247,796	-	9,247,796
(b) Bank Balances Other than (a) above		-	-	-
(c) Receivables				

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in INR)

Particulars	Note No.	IGAAP	Ind-AS Adjustments	Ind-AS
(i) Other Receivables		3,982,852	-	3,982,852
(d) Loans	3	165,311,666	(779,424)	164,532,242
(e) Investments	1	24,974,873	2,195,237	27,170,110
(f) Other Financial Assets		2,443,432	15,000	2,458,432
		205,960,618	1,430,813	207,391,431
Non-financial Assets				
(a) Deferred Tax Assets (Net)	2	9,854,797	2,256,410	12,111,207
(b) Investment property	4	62,875,000	(434,821)	62,440,179
(c) Property, Plant and Equipment	4	10,153,028	(189,472)	9,963,557
(d) Other Intangible Assets		120,986	-	120,986
(e) Other Non-financial Assets		4,708,393	(846,226)	3,862,167
		87,712,204	785,893	88,498,096
TOTAL		293,672,822	2,216,706	295,889,528
EQUITY AND LIABILITIES				
Liabilities				
Financial Liabilities				
(a) Payables				
(I) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises		121,500	-	121,500
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,340,571	-	1,340,571
(b) Borrowings (Other than Debt Securities)		54,010,356	-	54,010,356
(c) Deposits		51,376,540	-	51,376,540
(d) Other financial liabilities		2,893,137	-	2,893,137
		109,742,104	-	109,742,104
Non-Financial Liabilities				
(a) Current Tax Liabilities (Net)		1,147,390	(831,224)	316,166
(b) Provisions		471,674	-	471,674
(c) Other non-financial liabilities		793,557	-	793,557
		2,412,621	(831,224)	1,581,397
Equity				
(a) Equity Share capital		37,312,080	-	37,312,080
(b) Other Equity		144,206,017	3,047,930	147,253,947
		181,518,097	3,047,930	184,566,027
Total		293,672,822	2,216,706	295,889,528
iii. Reconciliation of total comprehensive income for the year ended March 31, 2019				
Revenue from operations				
Interest Income		14,741,698	-	14,741,698
Dividend Income		226,631	-	226,631
Rental Income		50,080	-	50,080
Fees and commission Income		8,137,742	2,551,095	10,688,836
Net gain on fair value changes	1		9,909,415	9,909,415
Total Revenue from operations (I)		23,156,150	12,460,510	35,616,660
Other Income (II)		9,791,131	(8,483,702)	1,307,429
Total Income (III)	(I+II)	32,947,281	3,976,808	36,924,088
EXPENSES				
Finance Costs		2,250,105	-	2,250,105
Fees and commission expense			4,845,057	4,845,057
Net loss on fair value changes	1		309,914	309,914
Impairment on financial instruments	3	370,849	605,559	976,408
Employee Benefits Expenses	5	5,729,860	137,329	5,867,189
Depreciation, amortization and impairment	4	773,185	624,293	1,397,478
Others expenses		7,933,444	(3,862,148)	4,071,296
Total Expenses (IV)		17,057,443	2,660,004	19,717,447
Profit / (loss) before exceptional items and tax (V)	(III- IV)	15,889,838	1,316,803	17,206,641

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in INR)

Particulars	Note No.	IGAAP	Ind-AS Adjustments	Ind-AS
Exceptional Items (VI)		(166,500)	-	(166,500)
Profit/(loss) before tax	(V -VI)	16,056,338	1,316,803	17,373,141
Tax Expense:				
(1)Current Tax		1,147,390	-	1,147,390
(2)Deferred Tax	2	-	1,645,688	1,645,688
MAT Credit Entitlement- (Credit) / Reversal		(478,392)	-	(478,392)
Profit/(loss) for the period		15,387,340	(328,884)	15,058,455
Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss (specify items and amounts)				
Remeasurement of gains (losses) on defined benefit plans	5	-	137,329	137,329
Income tax effect	2	-	(38,204)	(38,204)
B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:				
Debt Instruments through Other Comprehensive Income	1	-	(4,013,974)	(4,013,974)
Income tax effect	2	-	737,926	737,926
Other Comprehensive income for the year, net of tax		-	(3,176,923)	(3,176,923)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		15,387,340	(3,505,807)	11,881,532

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

iv. Reconciliation of total equity as at March 31, 2019 and April 1, 2018

(Amount in INR)

Particulars	Note No.	As at March 31, 2019	As at April 1, 2018
Total equity (shareholder's funds) as per previous GAAP		181,518,098	166,130,758
Adjustments:			
Deferred Tax Impact	2	2,256,410	3,202,376
Expected Credit Loss on Financial Assets	3	(779,423)	(173,864)
Fair Value Change on financial assets carried at fair value through profit or loss	1	(1,080,811)	564,898.62
Fair Value Change on financial assets carried at fair value through Other Comprehensive Income	1	3,276,047	1,784,529.36
Depreciation Expense	4	(624,293)	-
Total adjustments		3,047,930	5,377,940
Total equity as per Ind AS		184,566,027	171,508,699

v. Reconciliation of total comprehensive income for the year ended March 31, 2019

(Amount in INR)

Particulars	Note No.	March 31, 2019
Net Profit as per previous GAAP		15,387,340
Fair Value Change on financial assets carried at fair value through profit or loss	1	2,683,985
Expected Credit Loss on Financial Assets	3	(605,559)
Remeasurement of Defined Benefit Plans	5	(137,329)
Depreciation Expense	4	(624,294)
Deferred Tax Impact	2	(1,645,688)
Net Profit for the period as per Ind AS		15,058,455
Remeasurement of gains (losses) on defined benefit plans	5	99,125
Debt Instruments through Other Comprehensive Income	1	(3,276,048)
Total Comprehensive Income under Ind AS		11,881,533

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
vi. Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2019

(Amount in INR)

Particulars	Balance as Per Indian GAAP	Adjustments	IND AS Balance
Net cash flow from operating activities	(31,659,558)	7,545,658	(24,113,900)
Net cash flow from investing activities	(37,037,282)	(5,051,892)	(42,089,174)
Net cash flow from financing activities	54,010,356	(1,876,311)	52,134,045
Net increase/(decrease) in cash and cash equivalents	(14,686,483)	617,454	(14,069,029)
Cash and cash equivalents as at April 1, 2018	23,934,279	(617,454)	23,316,825
Cash and cash equivalents as at March 31, 2019	9,247,796	-	9,247,796

C. Notes to first-time adoption:
Note 1: Fair valuation of investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity and debt instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2019. This decreased the retained earnings by 10,80,811 as at March 31, 2019 (April 1, 2018 - INR -5,64,899).

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI – FVTOCI reserve as at the date of transition and subsequently in the other comprehensive income for the year ended March 31, 2019. This increased other reserves by INR 32,76,047 as at March 31, 2019 (April 1, 2018 - INR 17,84,529).

Consequent to the above, the total equity as at March 31, 2019 increased by INR 21,95,236 (April 1, 2018 - INR 23,49,428) and profit and other comprehensive income for the year ended March 31, 2019 increased by INR 26,83,985 and INR (32,76,048), respectively.

Note 2: Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the net impact on deferred tax liabilities is of INR 32,02,376 lacs (March 31, 2019: INR 22,56,410)

Note 3: Loans

Under Indian GAAP, the company has created provision for impairment of loans consists only in respect of specific amount for incurred losses and as per RBI provisioning norms. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the company impaired its loans by INR 1,73,864 on April 1, 2018 which has been eliminated against retained earnings. The impact of INR 7,79,423 for year ended on March 31, 2019 has been recognized in the statement of profit and loss.

Note 4: Investment property

Under the previous GAAP, investment properties were presented as part of non-current investments. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet. There is no impact on the total equity or profit as a result of this adjustment.

Note 5: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2019 decreased by INR 1,37,329. There is no impact on the total equity as at March 31, 2019.

Note 6: Retained earnings

Retained earnings as at April 1, 2018 has been adjusted consequent to the above Ind AS transition adjustments.

Note 7: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP. Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE NO. 50. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Amount in INR)

Particulars	As at March 31, 2020			As at March 31, 2019			As at April 01, 2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS									
Financial assets									
Cash and cash equivalents	14,921,852	-	14,921,852	9,247,796	-	9,247,796	23,316,825	-	23,316,825
Bank Balance other than cash and cash equivalents	-	-	-	-	-	-	617,454	-	617,454
Receivables									
(I) Other receivables	1,060,181	-	1,060,181	3,982,852	-	3,982,852	-	-	-
Loans	273,259,843	16,102,057	289,361,900	159,122,536	5,409,706	164,532,242	12,714,663	56,157,604	68,872,267
Investments	251,221,328	4,900,094	256,121,421	3,305,833	23,864,277	27,170,110	37,224,736	7,095,905	44,320,641
Other Financial assets	12,410,168	79,850	12,490,018	2,403,368	55,064	2,458,432	890,064	11,620	901,684
Sub total	552,873,372	21,082,000	573,955,372	178,062,385	29,329,046	207,391,431	74,763,742	63,265,129	138,028,871
Non-financial assets									
Deferred Tax assets (Net)	-	7,780,168	7,780,168	-	12,111,207	12,111,207	-	12,578,781	12,578,781
Investment property		62,522,884			62,440,179	62,440,179		-	-
Property, plant and equipment	-	11,206,942	11,206,942	-	9,963,557	9,963,557	-	10,866,734	10,866,734
Other Intangible Assets		90,986	90,986		120,986	120,986		-	-
Other non-financial assets	402,953	2,874,372	3,277,325	15,831	3,846,336	3,862,167	232,534	13,367,464	13,599,998
Sub total	402,953	84,475,352	22,355,420	15,831	88,482,266	88,498,096	232,534	36,812,979	37,045,513
Total assets	553,276,324	105,557,352	596,310,793	178,078,216	117,811,312	295,889,528	74,996,276	100,078,108	175,074,384
LIABILITIES									
Financial liabilities									
Payables									
(I) Trade Payables									
(i) total outstanding dues of micro enterprises and small enterprises	27,000	-	27,000	121,500	-	121,500	130,500	-	130,500
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	8,417,631	-	8,417,631	1,340,571	-	1,340,571	252,980	-	252,980
Borrowings (Other than Debt Securities)	40,803,193	-	40,803,193	24,010,356	30,000,000	54,010,356	-	-	-
Deposits	310,250,577	-	310,250,577	51,376,540	-	51,376,540	300,000	-	300,000
Other financial liabilities	36,432,876	-	36,432,876	2,893,137	-	2,893,137	289,180	-	289,180
Sub total	395,931,277	-	395,931,277	79,742,104	30,000,000	109,742,104	972,660	-	972,660
Non-Financial liabilities									
Current tax liabilities (Net)	5,210,947	-	5,210,947	316,166	-	316,166	2,125,949	-	2,125,949
Provisions	243,136	571,680	814,816	136,627	335,047	471,674	141,295	276,121	417,416
Other non-financial liabilities	6,507,828	-	6,507,828	793,557	-	793,557	49,661	-	49,661
Sub total	11,961,911	571,680	12,533,591	1,246,350	335,047	1,581,397	2,316,905	276,121	2,593,026
	407,893,188	571,680	408,464,868	80,988,453	30,335,047	111,323,500	3,289,565	276,121	3,565,686

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
NOTE No. 51. Schedule of a Non-Deposit Taking Non-Banking Financial company

The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 007/03.10.119/2016-17 dated September 01, 2016 as amended.

(Amount in INR)

Sr No.	Particulars		March 31, 2020		March 31, 2019	
			Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	Liabilities side					
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid					
	(a)	Debentures: Secured	-	-	-	-
		Unsecured	-	-	-	-
		(other than falling within the meaning of public deposits)				
	(b)	Deferred Credits	-	-	-	-
	(c)	Term Loans	-	-	-	-
	(d)	Inter-corporate Loans and borrowing	40,000,000	-	30,000,000	-
	(e)	Commercial Paper	-	-	-	-
	(f)	Public Deposits	-	-	-	-
	(g)	Other Loans- Related Party	-	-	24,010,356	-
	(h)	Other Loans- Overdraft facility from bank	803,193	-	-	-
(2)	Break-up of (1)(f) above (Outstanding public deposit inclusive of interest accrued thereon but not paid):					
	(a)	In the form of unsecured debentures	-	-	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
	(c)	Other Public deposits	-	-	-	-
	Assets side					
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :					
	(a)	Secured	-	-	-	-
	(b)	Unsecured	289,361,900	-	164,532,242	-
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities					
	(i)	Lease assets including lease rentals under sundry debtors :				
	(a)	Financial Lease	-	-	-	-
	(b)	Operating Lease	-	-	-	-
	(ii)	Stock on hire including hire charges under sundry debtors :				
	(a)	Assets on hire	-	-	-	-
	(b)	Repossessed Assets	-	-	-	-
	(iii)	Other loans counting towards asset financing activities				
	(a)	Loans where assets have been repossessed	-	-	-	-
	(b)	Loans other than (a) above	-	-	-	-
(5)	Break-up of Investments					
	Current Investments					
	1	Quoted				
	(i)	Shares				
		(a) Equity	219,780	-	-	-
		(b) Preference	-	-	59,400	-
	(ii)	Debentures and Bonds	-	-	3,246,433	-
	(iii)	Units of Mutual Funds	-	-	-	-
	(iv)	Government securities	-	-	-	-
	(v)	Others (please specify)	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in INR)

2	Unquoted							
	(i)	Shares						
		(a) Equity		34,676				-
		(b) Preference		-				-
	(ii)	Debentures and Bonds		4,645,637				-
	(iii)	Units of Mutual Funds		-				-
(iv)	Government securities		-				-	
(v)	Others (please specify)		-				-	
Long Term Investments								
1	Quoted							
	(i)	Shares						
		(a) Equity						434,585
		(b) Preference		-				-
	(ii)	Debentures and Bonds						-
	(iii)	Units of Mutual Funds		251,221,328				17,156,531
(iv)	Government securities		-				-	
(v)	Others (please specify)		-				-	
2	Unquoted							
	(i)	Shares						
		(a) Equity						311,075
		(b) Preference		-				1,000,000
	(ii)	Debentures and Bonds						4,962,086
	(iii)	Units of Mutual Funds		-				-
(iv)	Government securities		-				-	
(v)	Others (please specify: Investment properties)		62,522,884				62,440,179	
(6)	Borrower group-wise classification of assets financed as in (3) and (4) above :							
Category		March 31, 2020			March 31, 2019			
		Amount net of Provisions			Amount net of Provisions			
		Secured	Unsecured	Total	Secured	Unsecured	Total	
1	Related Parties							
	(a)	Subsidiaries	-	-	-	-	-	
	(b)	Companies in the same group	-	-	-	-	-	
	(c)	Other related parties	-	-	-	-	-	
2	Other than Related parties	-	289,361,900	289,361,900	-	164,532,242	164,532,242	
Total		-	289,361,900	289,361,900	-	164,532,242	164,532,242	
(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :							
Category		March 31, 2020		March 31, 2019				
		Market Value / Break up or fair value or NAV	Book value (net of Provisions)	Market Value / Break up or fair value or NAV	Book value (net of Provisions)			
1	Related Parties							
	(a)	Subsidiaries	-	-	-	-		
	(b)	Companies in the same group	-	-	-	-		
	(c)	Other related parties	-	-	-	-		
2	Other than Related parties	256,121,421	256,121,421	27,170,110	27,170,110			
Total		256,121,421	256,121,421	27,170,110	27,170,110			
(8)	Other Information							
Particulars		March 31, 2020		March 31, 2019				
		Amount		Amount				
(i)	Gross Non-Performing Assets							
	(a)	Related Parties		-		-		
	(b)	Other than related parties		1,300,849.00		-		
(ii)	Net Non-Performing Assets							
	(a)	Related Parties		-		-		
	(b)	Other than related parties		1,087,639.85		-		
(iii)	Assets acquired in satisfaction of debt			-		-		

Notes:

- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non -Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.
- There are no prior period and change in accounting policies which require disclosure in the notes to accounts. There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

NOTE No. 52. The following disclosure is required pursuant to RBI circular dated March 13, 2020 - Circular No. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20.

(Amount in INR)

Asset classification as per RBI norms	Asset Classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net Carrying amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
Performing Assets						
Standard	Stage 1	272,719,092	2,695,236	270,023,856	681,798	2,013,438
	Stage 2	20,688,287	2,604,627	18,083,660	51,721	2,552,906
	Stage 3	738,636	220,462	518,174	1,847	218,616
Subtotal		294,146,015	5,520,325	288,625,690	735,365	4,784,960

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in INR)

Asset classification as per RBI norms	Asset Classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net Carrying amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
Non Performing Assets (NPA)						
Substandard	Stage 3	1,684,822	948,613	736,210	168,482	780,130
Doubtful - up to 1 year	Stage 3					
1 to 3 years	Stage 3					
More than 3 years	Stage 3					
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		1,684,822	948,613	736,210	168,482	780,130
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1					
	Stage 2					
	Stage 3					
Subtotal						
Total	Stage 1	272,719,092	2,695,236	270,023,856	681,798	2,013,438
	Stage 2	20,688,287	2,604,627	18,083,660	51,721	2,552,906
	Stage 3	2,423,458	1,169,075	1,254,383	170,329	998,746
	Total	295,830,837	6,468,938	289,361,899	903,847	5,565,091

NOTE NO. 53. The following disclosure is required pursuant to RBI circular dated April 17, 2020 - Circular No. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20.

Particulars	2019-20
(i) Amount in SMA/Overdue Categories	-
(ii) Amount of extension of asset classification benefits	-
(iii) Provision made during Q4 FY 2019-20 on standard assets due to extension of asset classification benefits*	4,346,692
(iv) Provision adjusted against slippages and residual provisions	-

*In respect of accounts in default but standard where moratorium upto 3 months is granted, and asset classification benefit is extended, the Company has made general provisions of not less than 5 per cent of the total outstanding of such accounts as applicable for the quarter ended 31st March, 2020 within the overall provision requirement of 10% of the total outstanding to be spread equally over two quarters. Balance general provision of not less than 5% of the total outstanding of such accounts is to be made for the quarter ending 30th June, 2020.

NOTE NO. 54 .COVID- 19 Pandemic

The SARS-Cov-2 virus responsible for Covid-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility global and Indian financial markets and a significant decrease in global and local economic activities. The extent to which the Covid-19 pandemic will impact NBFC's Financial statement will depend on the future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the NBFC.

In accordance with the RBI guidelines relating to Covid-19 Regulatory Package dated 27th March, 2020, the NBFC would be granting a moratorium months on the payment of all installments and/or interest, as applicable, falling due between 1st March, 2020 and 31st May, 2020 to all the eligible borrowers classified as standard, even if overdue, as on 29th February, 2020. For all such accounts where the moratorium is granted, the asset classification shall stand still during the moratorium period (i.e. the number of day's past-due shall exclude the moratorium period for the purposes of asset classification Income Recognition, Asset Classification and Provisioning norms).

The NBFC has recognized and additional impairment on loans of INR 12.94 Lakhs. Given the dynamic nature of the pandemic situation, these estimates subject to uncertainty and may be affected by the severity and duration of the pandemic. In the event the impacts are more severe or prolonged anticipated, this will have a corresponding impact on the carrying value of financial assets, the financial position and performance of the NBFC.

NOTE NO. 55. Previous year's figures have been regrouped/reclassified, wherever necessary, to correspond with current year's classification / disclosure.

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 55

As per our report of even date attached

FOR GMJ & CO
CHARTERED ACCOUNTANTS
FRN: 103429W
**SD/-
CA Sanjeev Maheshwari**
Partner
Membership No. 038755
UDIN: 200387 55AAAA BZ3753
Place : Mumbai
Date : June 30, 2020

For and on behalf of the Board

APOLLO FINVEST (INDIA) LTD.
**SD/-
Mikhail R. Innani
Managing Director
DIN: 02710749**
**SD/-
Akash Valia
Director
DIN: 07358796**
**SD/-
Diksha D. Nangia
Chief Financial Officer & Director
DIN: 07380935**
**SD/-
Urvi Rathod
Company Secretary
M. No: A49191**