

Date: 11<sup>th</sup> August, 2022

To,  
The Manager – CRD,  
**BSE Limited**,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

Scrip Code: 508954

Subject: Submission of Annual Report for the financial year 2021-2022

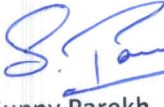

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith copy of Annual Report for the financial year 2021-22

Kindly take the above in your record.

Thanking You,

Yours Faithfully,

For Finkurve Financial Services Limited

  
  
Sunny Parekh  
Company Secretary & Compliance Officer  
Membership Number: ACS 32611

Encl.: As above

**Arvog**  
FINANCE

Finkurve Financial Services Limited  
CIN: L65990MH1984PLC032403

Registered Office: 202/A, 02nd Floor, Trade World, D - Wing, Kamala Mills Compound, S.B. Marg, Lower Parel (west), Mumbai - 400013, INDIA.  
Tel: +91 224 2441200 | Email: mail@arvog.com / finkurvefinancial@gmail.com | Web: www.arvog.com

ANNUAL REPORT  
2021 - 2022



Finkurve Financial Services Limited  
CIN: L65990MH1984PLC032403

**BOARD OF DIRECTORS**

Mr. Ketan Kothari - Chairman  
Mr. Narendra Jain - Executive Director  
Mr. Priyank Kothari - Non-Executive Director  
Mr. Nishant Ranka - Independent Director  
Mr. Dharmesh Trivedi – Additional Independent Director  
Mrs. Riddhi Tilwani - Independent Director  
Mr. Sunny Parekh - Company Secretary & Compliance Officer  
Mr. Aakash Jain - Chief Financial Officer

**AUDITORS**

M/s. P. D. Saraf & Co.  
Chartered Accountants,  
Mumbai

**BANKERS**

Axis Bank Limited  
Union Bank of India  
Kotak Mahindra Bank Limited  
CITY Union Bank Limited  
HDFC Bank Limited  
ICICI Bank Limited  
The South Indian Bank Limited

**REGISTERED OFFICE**

202/A, 02<sup>nd</sup> Floor, Trade World,  
D-Wing, Kamala Mills Compound,  
S. B., Marg, Lower Parel West  
Mumbai - 400013

**REGISTRAR & SHARE TRANSFER AGENTS**

**Link Intime India Private Limited**  
C 101, 247 Park, L.B.S. Marg,  
Vikhroli West, Mumbai - 400083

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## **NOTICE**

Notice is hereby given that the 38<sup>th</sup> Annual General Meeting ('AGM') of the Members of Finkurve Financial Services Limited ("The Company") will be held on Monday, 05<sup>th</sup> day of September, 2022 at 2.00 P. M. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following businesses:

### **ORDINARY BUSINESS:**

#### **Item No. 1 - Adoption of Audited Standalone and Consolidated Financial Statements**

To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022, together with the Reports of the Board of Directors and Auditors thereon.

#### **Item No. 2 - Re-appointment of Mr. Priyank Kothari (DIN: 07676104) as Director liable to retire by rotation**

To appoint a director in place of Mr. Priyank Kothari (DIN: 07676104), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **Item No. 3 - Approval of Material Related Party Transactions pertaining to Financial Transactions with Related Parties from the conclusion of 38<sup>th</sup> Annual General Meeting till the conclusion of 39<sup>th</sup> Annual General Meeting to be held in the Year 2023.**

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

**“RESOLVED THAT** in supersession with all earlier resolutions passed in this regard, pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter referred to as “SEBI Listing Regulations”) and Section 188, if and to the extent applicable, and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on “Materiality of Related Party Transactions and also on dealing with Related Party Transactions” subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/ or sanctions which

may be agreed to by the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) for entering into and/ or carrying out and/or continuing with contracts, arrangements and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) with Related Parties, whether individually and/or in the aggregate, including Material Related Party Transactions, i.e. exceeding 10% of the Annual Consolidated Turnover as per the Company’s last Audited Financial Statements or any other materiality threshold as may be applicable under law/ SEBI Regulations from time to time, as per details given below:

**Nature of Transaction:** Granting and / or acceptance of Loan in Ordinary Course of Business

**Duration:** From conclusion of the 38<sup>th</sup> Annual General Meeting till conclusion of the 39<sup>th</sup> Annual General Meeting to be held in the year 2023.

Sr No.	Name of the Related Party	Nature of Relationship	Principal Amount alongwith Interest outstanding at any given point in time (Rs. In Crore)
1.	M/s. Aranath Real Estate Private Limited (Formerly known as Renaissance Fincon Private Limited)	A Private Company in which relative of Director is a Director	50.00
2.	M/s. Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Private Limited)	A Private Company in which Director is a Director	10.00
3.	M/s. Badami Investment	A Partnership Firm in which Director is a Partner	70.00
4.	M/s. Haven Infoline Private Limited	A Private Company in which Director is a Director	10.00
5.	M/s. Kevin and Mike Consultancy	A Partnership Firm in which Director is a Partner	5.00
6.	M/s. Krish Dreams Home Private Limited	A Private Company in which relative of Director is a Director	10.00
7.	M/s. Pratvick Hospitality LLP	A Limited Liability Partnership in which Director is a Partner	2.00
8.	M/s. Augmont Enterprises Private Limited	A Private Company in which Director is a Director	50.00
9.	M/s. HR Commercials Private Limited	A Private Company in which Director is a Director	15.00

10.	M/s. Badami Trading LLP	A Limited Liability Partnership in which Director is a Partner	20.00
11.	M/s. RSBL Builders LLP	A Limited Liability Partnership in which Director is a Partner	30.00

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, to finalise the terms and conditions of the transactions with the aforesaid parties, and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution.”

**Item No. 4 - Approval of Material Related Party Transactions pertaining to payment of Commission and other charges to Augmont Goldtech Private Limited from the conclusion of 38<sup>th</sup> Annual General Meeting till the conclusion of 39<sup>th</sup> Annual General Meeting to be held in the Year 2023.**

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

“**RESOLVED THAT** in supersession with all earlier resolutions passed in this regard, pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter referred to as “SEBI Listing Regulations”) and Section 188, if and to the extent applicable, and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company’s Policy on “Materiality of Related Party Transactions and also on dealing with Related Party Transactions” subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/ or sanctions which may be agreed to by the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) for entering into and/ or carrying out and/or continuing with contracts, arrangements and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) with Related Parties, whether individually and/or in the aggregate, including Material Related Party Transactions, i.e. exceeding 10% of the annual consolidated turnover as per the Company’s last Audited Financial Statements or any other materiality threshold as may be applicable under law/ SEBI Regulations from time to time, as per details given below:

**Nature of Transaction:** Commission & Other charges (Expense)

**Duration:** From conclusion of the 38<sup>th</sup> Annual General Meeting till conclusion of the 39<sup>th</sup> Annual General Meeting to be held in the year 2023.

S No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Duration	Amount up to (Rs. In Crore)
1.	M/s. Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Private Limited)	A Private Company in which Director is a Director	Commission & Other charges (Expense)	FY 2022-23	20.00

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, to finalise the terms and conditions of the transactions with the aforesaid parties, and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution.”

**Item No. 5 - To appoint Mr. Dharmesh Lalitkumar Trivedi (DIN: 03619491), as Non-Executive Independent Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Dharmesh Lalitkumar Trivedi (DIN: 03619491), who was appointed as an Additional Independent Director of the Company with effect from 07<sup>th</sup> June, 2022 to hold the office of Independent Director up to the date of the ensuing Annual General Meeting of the Company and who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a term of Five (05) consecutive years with effect from 07<sup>th</sup> June, 2022 till 06<sup>th</sup> June, 2027 on the Board of the Company.

**RESOLVED FURTHER THAT** the Board of Directors (including its committee thereof) and/or Company Secretary of the Company be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

**Item No. 6 - Re-appointment of Mr. Nishant Tolchand Ranka (DIN: 06609705) as Independent 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 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Nishant Tolchand Ranka (DIN: 06609705), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years i.e. from 07<sup>th</sup> March, 2023 till 06<sup>th</sup> March, 2028 on the Board of the Company.

**FURTHER RESOLVED THAT** the Board of Directors or any Committee thereof be and is hereby authorized to accept any other name approved by the relevant Regulatory Authorities and seek approval for the change in the name of the Company accordingly without making any further reference to the members for their approval.”

**Item No. 7 - To issue Non – Convertible Debentures on Private Placement Basis:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 42, Section 71 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification, variation or re-enactment to any of the foregoing and other applicable rules / regulations / guidelines and provisions of the Articles of Association of the Company, consent of the

Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board) to offer or issue Redeemable Non-Convertible Debentures (NCDs), secured or unsecured in one or more series / tranches including the debentures already issued, aggregating up to an amount not exceeding Rs. 200 Crore (Rupees Two Hundred Crore Only) on a Private Placement basis, during a period of One (01) year from the date of passing this resolution, on such terms and conditions, as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected with or incidental thereto.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise and execute all deeds, documents and writings as may be necessary, desirable or expedient, and to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or desirable and to delegate all or any of these powers to the Director(s) or any other Officer(s) of the Company or to any other person.”

**Item No. 8 - To approve power to borrow funds pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, not exceeding Rs. 600 Crore (Rupees Six Hundred Crore Only)**

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

**“RESOLVED THAT** in supersession of all earlier resolutions passed on the matter and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), and the relevant regulations/directions as may be prescribed from time to time (including any amendment(s), modification(s) thereof) and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company to borrow by obtaining loans, overdraft facilities, lines of credit, commercial papers, nonconvertible debentures, external commercial borrowings (loans/bonds), INR denominated offshore bonds or in any other forms from Banks, Financial Institutions, Insurance Companies, Mutual Funds or other Corporates or other eligible investors, including by way of availing credit limits through Non-Fund based limits i.e. Bank Guarantee, Letter of Credit, etc. or by any other means as deemed fit by it, against the security of term deposits, movables, immovable or such other assets as may be required or as unsecured, at any time or from time to time, any sum or sums of money(ies) which together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), exceeding the aggregate of paid-up share capital of the Company, its free reserves and

Securities Premium, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 600 Crore (Rupees Six Hundred Crore only).

**RESOLVED FURTHER THAT** the Board of Directors or such person/s or such committee (by whatever name called), as may be authorized by the Board in this regards, be and are hereby authorized to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all other acts, deeds, matters and things as may be deemed necessary and incidental for giving effect to the above, including execution of all such documents, instruments and writings, as may be required.”

**Item No. 9 - To increase the overall managerial remuneration of the Directors of the company.**

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

**"RESOLVED THAT** in accordance with the provisions of Section 197 of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee, approval of the Members of the Company be and is hereby accorded to increase the overall limit of managerial remuneration payable beyond specified limits under Section 197 of Companies Act 2013 in respect of Financial year 2021-22 as per notification issued by Ministry of Corporate Affairs (MCA) dated 12<sup>th</sup> September 2018 under notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 thereby Part I and Part II related to conditions to be fulfilled for the Appointments and Remuneration of a Managing or Whole-time director or a Manager without the approval of the Central Government but by the approval of Members in the general meeting via special resolution .



**RESOLVED FURTHER THAT** the Board of Directors (including its committee thereof) and/or Company Secretary of the Company be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

**By order of the Board of Directors  
For Finkurve Financial Services Limited**

**Place: Mumbai  
Date: 08<sup>th</sup> August, 2022**

**Sd/-  
Ketan B. Kothari  
Chairman  
(DIN:00230725)**



## 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 April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM of the Company through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the 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 Chairpersons 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. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at

www.arvog.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on Friday, 02nd September, 2022 at 09:00 A.M. and ends on Sunday, 04th September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 26th August, 2022 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the Paid-up Equity Share Capital of the Company as on the cut-off date, being 26th August, 2022.**

#### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*





#### **Step 1: Access to NSDL e-Voting system**

#### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting</li> </ol>

	<p>during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p>  App Store          Google Play       </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in</li> </ol>



	progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs@mayankarora.co.in](mailto:cs@mayankarora.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [finkurvefinancial@gmail.com](mailto:finkurvefinancial@gmail.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [finkurvefinancial@gmail.com](mailto:finkurvefinancial@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at



**step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.
4. 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.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [finkurvefinancial@gmail.com](mailto:finkurvefinancial@gmail.com). The same will be replied by the company suitably.

**COMPANIES ACT, 2013 (“The Act”)**

The Following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Item No. 3**

The Company enters into various Non Banking Financial Transactions with Related Parties from time to time. These transactions usually occur on a repetitive basis and are expected to exceed the prescribed threshold limits under the Listing Regulations so as to qualify as Material Related Party transactions. Until FY 2020-21 the turnover of Arvog Forex Private Limited, the Subsidiary of the Company was consolidated in the books of the Company. The Annual Consolidated Turnover of the Company was such that the transactions as proposed in the Resolutions of the Notice never exceeded the 10% limit respectively to qualify as material related party transactions. In FY 2021-22, the Company sold its entire stake held in Arvog Forex Private Limited and therefore it ceased to be a subsidiary of the Company. As a result, and also due to the fact that the Company is an NBFC, the proposed Related Party Transactions as stated in the Resolutions of the Notice are expected to qualify as Material Related Party transactions considering the turnover of the Company for the previous Financial Year i.e. FY 2021-22 and also that the turnover of the Company comprises of mainly interest and other financial income leaving aside the aggregate financial transactions.

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (“Listing Regulations”) read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 08<sup>th</sup> April, 2022, all Related Party Transactions shall require prior approval of the Audit Committee and all Material Transactions with related parties require approval of the Members of the Company through Ordinary Resolution. A transaction with a Related Party shall be considered material under the Listing Regulations, if the transaction(s) in a contract to be entered into individually or taken together with previous transactions during a Financial Year, exceeds 10% of the Annual Consolidated Turnover of the Company as per the last Audited Financial Statements of the Company or any other materiality threshold prescribed by any other applicable law.

Further, Section 188 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 states that no Company shall enter into transactions with a Related Party except with the consent of the Board and Members of the Company, where such transactions are either not (a) in Ordinary Course of Business or (b) on arm’s length basis.

The Company proposes to enter into transactions with Related Parties as provided in Resolution No. 3, from time to time, at the agreed terms of the transactions between the

parties. The said transactions with the Related Parties as per Resolution No. 3 are to be held at arm's length and in the ordinary course of business of the Company.

The Audit Committee has approved the said Related Party Transactions which were placed before it at its meeting held on 30<sup>th</sup> May, 2022 and has noted that these transactions are in the ordinary course of business and all the transactions are at arm's length. Further, the said transactions qualify as Material Related Party Transactions under the Listing Regulations. Accordingly, the Members' approval is sought for the same which shall be valid from the conclusion of 38<sup>th</sup> Annual General Meeting till the conclusion of the 39<sup>th</sup> Annual General Meeting to be held in the year 2023.

Information relating to transactions viz. names of the related parties and relationships, monetary value of the transactions are mentioned in the resolution. The terms are determined from contract to contract, as agreed between the parties.

The Board has unanimously approved the above proposal at its meeting held on 08<sup>th</sup> August, 2022.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution except Mr. Ketan Kothari and Mr. Narendra Jain.

The Directors recommend the Resolution No. 3 of the Notice for approval of the Members by way of an Ordinary Resolution.

**Additional Information on the proposed Related Party Transactions under the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662**

**Item No. 3**

**a. Justification why the proposed transaction is in the interest of the Company:**

The Company being an NBFC, provides inter-corporate loans business, loan against gold and various other loans to different entities/individuals in its normal course of business. Therefore, All the proposed transactions which are to be entered into by the Company with its Related Parties in the ordinary course of business and at arm's length contributes to the business of the Company and so are commercially beneficial to the Company.

**b. Valuation report or other external report relied upon in relation to the proposed transaction:**

The Company has been regularly transacting with the parties on the basis of various external information and market practices in relation to the proposed transactions.

**c. Information if the transaction relates to loans, ICD, Advances or Investments:**

**i. Whether any indebtedness is incurred to make or give loans, etc.:**

The Company being an NBFC has incurred indebtedness which is in the ordinary course of business and in furtherance to its main business activity. There is no specific indebtedness incurred in relation to the proposed transactions.

**ii. Applicable terms of the proposed transactions:**

- a. **Tenure:** The approval sought shall be valid from the conclusion of the 38<sup>th</sup> Annual General Meeting till the conclusion of the 39<sup>th</sup> Annual General Meeting to be held in the year 2023; however, the proposed transactions are continuous in nature and are generally made on demand.
- b. **Interest Rate:** As per prevailing market rates/ conditions.
- c. **Repayment:** On demand or Fixed tenure
- d. **Secured / Unsecured:** Both
- e. **Nature of security:** Movable Assets, Immovable Assets, Current Assets, Fix Assets, etc.

**iii. The purpose for which the funds will be utilised by the ultimate beneficiary of such funds:**

The funds shall be utilised by the ultimate beneficiary towards its main business activity.

**Item No. 4:**

The proposed transaction as mentioned in Resolution No. 4 is in reference to the Services Agreement entered into by the Company with M/s. Augmont Goldtech Private Limited (“AGTPL”) wherein AGTPL handles the end to end operations of the Company’s Gold Loan Product and is therefore entitled for the Commission and Other Charges in lieu of its services rendered to the Company.

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (“Listing Regulations”) read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 08<sup>th</sup> April, 2022, all Related Party Transactions shall require prior approval of the Audit Committee and all material transactions with Related Parties require approval of the Members of the Company through Ordinary Resolution. A transaction with a Related Party shall be considered material under the Listing Regulations, if the transaction(s) in a contract to be entered into individually or taken together with previous transactions during a Financial Year, exceeds 10% of the annual consolidated turnover of the Company as per the last Audited Financial Statements of the Company or any other materiality threshold prescribed by any law other applicable law.

Further, Section 188 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 states that no Company shall enter into transactions with a Related Party except with the consent of the Board and Members of the Company, where such transactions are either not (a) in Ordinary Course of Business or (b) on arm’s length basis.

The Company proposes to enter into transactions with Related Parties as provided in Resolution No. 4, from time to time, at the agreed terms of the transactions between the parties. The said transactions with the Related Parties as per Resolution No. 4 are to be held at arm's length and in the Ordinary Course of business of the Company.

The Audit Committee has approved the said Related Party Transactions which were placed before it at its meeting held on 30<sup>th</sup> May, 2022 and has noted that these transactions are in the Ordinary Course of business and all the transactions are at arm's length. Further, the said transactions qualify as Material Related Party Transactions under the Listing Regulations. Accordingly, the Members' approval is sought for the same which shall be valid from the conclusion of 38<sup>th</sup> Annual General Meeting till the conclusion of the 39<sup>th</sup> Annual General Meeting to be held in the year 2023.

Information relating to transactions viz. names of the related parties and relationships, monetary value of the transactions are mentioned in the resolution. The terms are determined from contract to contract, as agreed between the parties.

The Board has unanimously approved the above proposal at its meeting held on 08<sup>th</sup> August, 2022.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution except Mr. Ketan Kothari.

The Directors recommend the Resolution No. 4 of the Notice for approval of the Members by way of an Ordinary Resolution.

**Additional Information on the proposed Related Party Transactions under the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662**

**Item No. 4**

**a. Justification why the proposed transaction is in the interest of the Company:**

The proposed transaction as mentioned in Resolution No. 4 is in reference to the Gold Loan Product of the Company wherein Augmont Goldtech Private Limited handles the end to end operations of such Product and is therefore entitled for the commission and other charges in lieu of its services rendered to the Company. The services availed by the Company facilitates it to cater into gold loan segment and thereby tap new opportunities.

**b. Valuation report or other external report relied upon in relation to the proposed transaction:**

The Company has entered into the Service Agreement with Augmont Goldtech Private Limited on the basis of external reports & market practices followed by other NBFCs/ Banks with respect to loan against gold product.

**Item No. 5**

Pursuant to the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company at its meeting held on 07<sup>th</sup> June, 2022, appointed Mr. Dharmesh Lalitkumar Trivedi as an Additional Independent Director of the Company, not liable to retire by rotation, with effect from 07<sup>th</sup> June, 2022, to hold the office of Independent Director for a term of 05 (Five) consecutive years commencing on 07<sup>th</sup> June, 2022 and ending on 06<sup>th</sup> June, 2027, subject to the approval of Members in the ensuing Annual General Meeting.

Mr. Dharmesh Lalitkumar Trivedi meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations and is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Dharmesh Lalitkumar Trivedi for the office of Independent Director of the Company, not liable to retire by rotation.

Brief profile of Mr. Dharmesh Lalitkumar Trivedi and the additional information in respect of pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given in Annexure A to this Notice. A copy of the draft letter of appointment of Mr. Dharmesh Lalitkumar Trivedi as an Independent Director setting out the terms and conditions of appointment will be available for inspection upto the date of AGM.

The Board considers that Mr. Dharmesh Lalitkumar Trivedi's appointment is independent of the management of the Company and his association would be of immense benefit to the Company. Hence, the Board recommends the Special resolution set out at Item No. 5 of this Notice for approval of the Members of the Company.

The Board has unanimously approved the above proposal at its meeting held on 08<sup>th</sup> August, 2022.

Except Mr. Dharmesh Lalitkumar Trivedi being the appointee under this resolution, none of the other Directors and Key Managerial Personnel of the Company and their relatives are



concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of this Notice.

#### **Item no. 6**

Mr. Nishant Tolchand Ranka (DIN:06609705) was appointed as Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Mr. Nishant Tolchand Ranka as Independent Director for a second term of 05 (Five) consecutive years i.e. from 07<sup>th</sup> March, 2023 to 06<sup>th</sup> March, 2028 on the Board of the Company. The Board, based on the performance evaluation of Independent Directors and as per the recommendation of Nomination and Remuneration Committee, considers that, given the background and experience and contributions made by him during his tenure, the continued association of Mr. Nishant Tolchand Ranka would be beneficial to the Company and it is desirable to continue to avail his service as Independent Director. Accordingly, it is proposed to re-appoint Mr. Nishant Tolchand Ranka as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 05 (Five) consecutive years i.e. from 07<sup>th</sup> March, 2023 to 06<sup>th</sup> March, 2028 on the Board of the Company. Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) inter alia prescribe that an Independent Director of a Company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to 05 (Five) consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the company and disclosure of such appointment in its Board’s report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms. Mr. Nishant Tolchand Ranka is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Nishant Tolchand Ranka for the office of Independent Directors of the Company. The Company has also received declaration from Mr. Nishant Tolchand Ranka that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Mr. Nishant Tolchand Ranka fulfils the condition for appointment as Independent Directors as specified in the Act and the Listing Regulations. Mr. Nishant Tolchand Ranka is independent of the management.



Details of Director whose re-appointment as Independent Director is proposed at Item No. 6, is provided in the “Annexure A” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India. Copy of draft letter of appointment of Mr. Nishant Tolchand setting out the terms and conditions of appointment is available for inspection by the Members at the Registered Office of the Company.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

The Board has unanimously approved the above proposal at its meeting held on 08<sup>th</sup> August, 2022.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice

The Brief resume of Mr. Nishant Tolchand Ranka is given below:

Name of the Appointee	Mr. Nishant Tolchand Ranka
Designation	Independent Director
Age (in Years)	41 years
Qualification & Nature of Expertise	Mr. Nishant Tolchand Ranka is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He has an experience of over 17 years in the field of Accountancy and Finance.
Date of Appointment	07 <sup>th</sup> March, 2018
Shareholding in the Company	Nil
Other Directorships (Independent)	Supama Financial Services Limited
Committee Chairmanships	02
Committee Memberships	Nil

#### Item No. 7

In order to augment long term resources for financing, inter alia, for the strategic business expansion in future and for general corporate purposes, the Company is planning to mobilize funds through issue of Non-Convertible Debentures.

It is proposed to offer or invite subscriptions for NCDs on private placement basis, in one or more tranches, during the period of one year from the date of passing of this special resolution by the members upto Rs. 200 Crore (Rupees Two Hundred Crore Only) including the debentures already issued, as may be approved by the Members from time to time, with

the authority to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by Resolution No. 3 to determine the terms and conditions including the issue price of NCDs, interest, repayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental hereto as the Board shall in its absolute discretion deems fit, without being required to seek any further consent or approval from Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the resolution.

As per the provisions of Section 42 of the Companies Act, 2013 (“the Act”) and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company offering or making an invitation to subscribe to Redeemable Non-Convertible Debentures (NCDs) secured or unsecured on a Private Placement basis is required to obtain prior approval of the Members by way of Special Resolution. Such approval by a Special resolution can be obtained once a year for all the offer(s) and invitation(s) for such NCDs to be made during the year. Accordingly, the approval of the Members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any of the Act and its Rules there under as set out in Item No. 7 appended to this notice.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

The Board has unanimously approved the above proposal at its meeting held on 08<sup>th</sup> August, 2022.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice

#### **Item no. 8**

The Shareholders of the Company at their meeting held on 30<sup>th</sup> September, 2015 considered and authorized the Company to Borrow upto Rs. 500 Crore (Rupees Five Hundred Crore Only) by way of Inter Corporate Deposits, Long Term Loans, and External Commercial Borrowings or

through issue of any securities, instruments, etc. pursuant to Section 180(1)(c) and other applicable provisions, if any, of Companies Act, 2013. Considering the requirement of the Company, it is proposed to increase the said limit of borrowings to Rs. 600 Crore (Rupees Six Hundred Crore Only) including the existing borrowings already made by the Company.

The provisions of Section 180 of the Companies Act, 2013 requires the Companies to pass Special resolution to authorize the Board to borrow funds which will exceed the aggregate of the paid-up capital and free reserves. In view thereof, it is proposed to obtain a fresh approval of Shareholders by a Special Resolution.

The resolution as above is placed before the shareholders for approval.

The Board has unanimously approved the above proposal at its meeting held on 08<sup>th</sup> August, 2022.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of the Resolution.

The Board of Directors recommends resolution as set out in the notice for approval of the members of the Company by way of a Special Resolution.

#### **Item no. 9**

As per Section 197 of the Companies Act, 2013, total managerial remuneration payable by the Company to its directors, including Managing Director and Whole-Time Director and its manager in respect of any financial year may be given to maximum permissible limit as per the provisions laid down in Section 198 of the Companies Act, 2013, provided that the same has been approved by the shareholders of the Company by way of Special Resolution. Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 08<sup>th</sup> August, 2022, recommended to increase in overall limit of managerial remuneration payable by the Company in respect of financial year 2021-22 beyond specified limits under Section 197 and computed in the manner laid down in Section 198 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution set out at item no. 9 for approval of Members as Special resolution.

The Board has unanimously approved the above proposal at its meeting held on 08<sup>th</sup> August, 2022.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Priyank Rakesh Kothari and Mr. Narendra Champalal Jain is in any way concerned or interested, in the said resolution.

**By order of the Board of Directors  
For Finkurve Financial Services Limited**

**Place: Mumbai  
Date: 08<sup>th</sup> August, 2022**

Sd/-  
**Ketan B. Kothari**  
Chairman  
(DIN:00230725)

## ANNEXURE A

### **Brief Profile of Mr. Dharmesh Lalit Kumar Trivedi**

Mr. Dharmesh Lalit Kumar Trivedi (B. Com, CA and LLB) is a Registered Valuer with Insolvency and Bankruptcy Board of India for the Category of Financial assets or securities and has been doing valuation assignments for startups, companies raising capital, valuation under Ind AS, Business/Enterprise Valuation and Brand Valuations.

He has overall 30 years of Industry experience in the field of Finance, treasury, audit, MIS, systems etc in various companies.

### **Brief Profile of Mr. Nishant Ranka:**

Mr. Nishant Ranka is a qualified Chartered Accountant from Institute of Chartered Accountants of India. He has an experience of over 17 years in the field of Accountancy and Finance.

Details pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings:

Name of the Director	Mr. Dharmesh Lalitkumar Trivedi	Mr. Nishant Ranka
Date of Birth & Age	23 <sup>rd</sup> October, 1963, 58 Years	16 <sup>th</sup> September, 1980, 41 Years
Date of First Appointment	07 <sup>th</sup> June, 2022	07 <sup>th</sup> March, 2018
Relationship with Directors and Key Managerial Personnel	Mr. Dharmesh Lalitkumar Trivedi is not related to any Directors on the Board of the Company.	Mr. Nishant Ranka is not related to any Director on the Board of the Company.
Expertise in specific functional area	Mr. Dharmesh Lalit Kumar Trivedi (B. Com, CA and LLB) is a Registered Valuer with Insolvency and Bankruptcy Board of India for the Category of Financial assets or securities and has been doing valuation assignments for startups, companies raising capital, valuation under Ind AS, Business/Enterprise Valuation and Brand Valuations.  He has overall 30 years of Industry experience in the field	Mr. Nishant Tolchand Ranka is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He has an experience of over 17 years in the field of Accountancy and Finance.

	of Finance, treasury, audit, MIS, systems etc in various companies.	
Qualification(s)	B. Com, Chartered Accountant and LLB	B.com and Chartered Accountant
Board Membership of other listed Companies	None	None
Chairmanships/Memberships of the Committees of other public limited companies	None	Chairmanship : 02 (Two) Membership : Nil
Shareholding in the Company	Nil	Nil
Number of Board Meetings Attended during the financial year 2021-22	0 of 0	9 of 9
Terms and Conditions of Appointment	Non-Executive, Independent Director, not liable to retire by rotation	Non-Executive, Independent Director, not liable to retire by rotation

**DIRECTOR'S REPORT**

To,  
The Members,  
Finkurve Financial Services Limited

Your directors take the pleasure in presenting the 38th Annual Report together with Audited Standalone and Consolidated Financial Statements of the Company along with Auditor's Report thereon for the financial year ended 31<sup>st</sup> March, 2022.

**1. FINANCIAL SUMMARY**

The Sumarized Standalone and Consolidated results for the Company with previous year's figure are given in the table below:

(As per IND-AS) (Amount in Lakhs.)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Total Revenue	4,365.02	2,045.48	5,716.62	2,862.60
Less: Total Expenses	1,659.32	1,437.37	3,229.45	2,221.54
Add: Share of Profit/ (Loss) of Associates	-	-	-	(9.10)
Profit/ (Loss) before taxation	2,705.70	608.11	2,487.17	631.96
Less: Tax Expense	544.82	157.34	513.93	178.41
Profit/ (Loss) After Tax	2,160.88	450.78	1,973.23	453.55
Other Comprehensive Income	(2.05)	-	(2.05)	-
Total comprehensive income for the year	2,158.84	450.78	1,971.19	453.55

**2. BUSINESS OVERVIEW:**

Your Company has been classified as a Loan Company in providing long term and short term loans to other corporate/ firms. Your Company is also in the business of providing educational Loans, loan against gold jewellery and other forms of consumer loans and the Board is in constant search for new business avenues which can be taken with the existing business.

**3. BUSINESS PERFORMANCE:**

During the year under review, your Company earned a Total Revenue of Rs. 4,365.02 lakhs as against Rs. 2,045.48 lakhs in the previous year. The Profit before Tax was Rs. 2,705.70 lakhs as against Rs. 608.11 lakhs in the previous year. The Net profit of Rs. 2160.88 lakhs

has been carried to the Balance Sheet. Your directors expect a better performance in the coming years.

**4. SHARE CAPITAL:**

The Authorized Share Capital is Rs. 13,00,00,000/- and Paid-Up Share Capital is Rs. 12,68,58,198/- of Rs. 1/- each. There has been no change in the Authorized and Paid-Up Share Capital of the Company during the year under review.

**Employee Stock Options:**

During the year under review, based on the recommendation of the Nomination and Remuneration Committee, the Company in its meeting of Board of Directors held on 30<sup>th</sup> June, 2021 and 24<sup>th</sup> August, 2021 has granted 56,614 (Fifty Six Thousand Six Hundred and Fourteen) and 63,750 (Sixty Three Thousand Seven Hundred and Fifty Only) Employee Stock Options (“ESOP”) respectively to the eligible employees in accordance with the terms of Finkurve ESOP Plan (ESOP 2018).

**Exercise of ESOP:**

During the year under review, no eligible employee to whom the options have been granted has exercised the same.

**5. CHANGE IN THE NATURE OF BUSINESS:**

During the year under review, there has been no change in the nature of business of the Company.

**6. NUMBER OF MEETING OF BOARD:**

During the year 10 (Ten) Board Meetings were held i.e on 19<sup>th</sup> April, 2021, 17<sup>th</sup> May, 2021, 30<sup>th</sup> June, 2021, 13<sup>th</sup> August, 2021, 24<sup>th</sup> August, 2021, 13<sup>th</sup> November, 2021, 28<sup>th</sup> December, 2021, 09<sup>th</sup> February, 2022, 14<sup>th</sup> February, 2022 and 30<sup>th</sup> March, 2022.

The particulars of attendance of Directors are as under:

Sr. No.	Name of Director	Number of Board Meetings attended
1	Mr. Ketan Bhawarlal Kothari	9 out of 10
2	*Mr. Priyank Rakesh Kothari	8 out of 8
3.	Mr. Narendra Champlal Jain	10 out of 10
4.	Mr. Nishant Tolchand Ranka	10 out of 10
5.	Mrs. Riddhi Kamlesh Tilwani	10 out of 10
6.	**Mr. Rakesh Govindchand Mehta	8 out of 8



*\*During the year under review, Mr. Priyank Rakesh Kothari (DIN: 07676104) was appointed as Additional Non Executive, Non Independent Director of the Company with effect from 17<sup>th</sup> May, 2021 and further appointed as a Director of the Company with effect from 20<sup>th</sup> September, 2021.*

*\*\*During the year under review, Mr. Rakesh Govindchand Mehta (DIN: 00002676) was appointed as Additional Non Executive, Independent Director of the Company with effect from 17<sup>th</sup> May, 2021, further appointed as a Director of the Company with effect from 20<sup>th</sup> September, 2021 and resigned as an Independent Director of the Company with effect from 09<sup>th</sup> March, 2022.*

**7. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to Director's Responsibility Statement, it is hereby confirmed that:

- a) In preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- b) The directors had 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 and loss of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) The directors had prepared the annual accounts for the Financial Year on a "Going Concern" basis;
- e) The directors had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**8. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT UNDER SECTION 143(12):**

During the year under review, the Statutory Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit

Committee under Section 143 (12) of the Act, the details of which need to be mentioned in this report.

**9. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6):**

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

**10. PARTICULARS OF EMPLOYEES AND REMUNERATION:**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975 in respect of employees of the Company and directors have been appended as “**Annexure – I**” to this report.

**11. EXTRACT OF ANNUAL RETURN**

Pursuant to the Section 92(3) of the Companies Act, 2013 extract of the Annual Return is annexed to this report as “**Annexure – II**”. The Annual Return of the Company for the financial year 2021-22 as required under Section 92(3) of the Companies Act, 2013 is available on the website of the Company and can be accessed on the Company’s website <https://www.arvog.com/investor/>.

**12. LOANS, GUARANTEES AND INVESTMENTS:**

Pursuant to Section 186 of Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), disclosure on particulars relating to loans, advances, guarantees and investments are provided as part of the financial statements.

**13. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

All Related Party Transactions done by the Company during the financial year were at Arm's Length and in ordinary course of business. All Related Party Transactions were placed in the meetings of the Audit Committee and the Board of Directors for their necessary review and approval. During the financial year, your Company has not entered into any material transaction (as per Regulation 23 of SEBI LODR, 2015) with any of its related parties which may have potential conflict with the interest of the Company at large. The disclosures pursuant to Accounting Standards on Related Party Transactions have been made in the notes to the Financial Statements. To identify and monitor significant Related Party Transactions, the Company has also framed a policy on the Related Party Transactions and the same is available on the Company's website i.e., [www.arvog.com](http://www.arvog.com).

**Changes after ended of the Financial Year:**

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (“Listing Regulations”) read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 08th April, 2022, the Company conducted a postal ballot for approving Material Related Party Transactions for the Financial Year 2022-23 pertaining to financial transactions with Related Parties

and approving Material Related Party Transactions for the Financial Year 2022-23 pertaining to payment of Commission and other charges to Augmont Goldtech Private Limited through Ordinary Resolutions.

**14. DIVIDEND:**

With a view to conserve the reserves of the Company, your directors are not recommending any payment on account of dividend.

**15. TRANSFER TO RESERVES:**

The Board of Directors recommend to transfer 20% of profit to the reserve fund during the year under review as per Section 45IC of The RBI Act, 1934. Further, the balance amount of profit for the year under review has been carried forward to the Statement of Profit and Loss.

**16. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

No material changes and commitments affecting the financial position of the Company occurred from the end of the previous financial year till the date of this report.

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

The Company being engaged in the financial services does not have any energy utilization or technology absorption. The Company during the year under consideration has not earned or spent any foreign exchange.

**18. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The risk management and minimization procedure adopted and followed by the Company is adequate in relation to the nature and size of the business. The same is reviewed periodically for improvement.

**19. CORPORATE GOVERNANCE:**

The Company is adhering to good Corporate Governance practices in every sphere of its operations. The Company has taken adequate steps to comply with the applicable provisions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is annexed to this report as “Annexure III”.

**20. AUDITORS:**

**A. STATUTORY AUDITORS AND AUDITOR'S REPORT:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, the current Auditors of the Company, P. D. Saraf & Co., Chartered Accountants having FRN: 109241W were appointed by the Members at the 36th Annual General Meeting

convened on 30<sup>th</sup> September, 2020, to hold office until the conclusion of the 41st Annual General Meeting to be held in the year 2025.

**STATUTORY AUDITORS QUALIFICATION:**

There is no qualification, reservation or adverse remarks made in the Statutory Auditors Report.

**B. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT:**

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of Mr. Mayank Arora, proprietor of M/s. Mayank Arora & Co., Company Secretaries, Mumbai (Membership. No. F10378 and COP No.: 13609) to conduct the Secretarial Audit of the Company for the Financial year ended 31<sup>st</sup> March, 2021.

**SECRETARIAL AUDITORS QUALIFICATION:**

The qualification in the Secretarial Compliance Report and Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2021 and the reply of the Board of Directors to such qualifications are as under:

Sr. No.	Qualification/ Observation in the Secretarial Compliance Report and Secretarial Audit Report	Reply to the qualifications/ observations by the Board
1	The Company has submitted the Statements of deviation(s) or variation(s) to BSE Ltd. and also published the same in the newspaper as specified in sub-regulation (1) (c) of Regulation 47 for the quarter ended 31 <sup>st</sup> March, 2020. However, the copy of such newspaper publication was not submitted to the Stock Exchange.	The Board took the note of the same and affirmed that the qualification/ observation raised in the Secretarial Compliance Report shall be taken care of in the future.

The report of the Secretarial Auditor for the Financial Year ended 31<sup>st</sup> March, 2022 is appended as “Annexure – IV”.

**21. ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE AND OF THE INDIVIDUAL DIRECTORS AND COMMITTEES**

On the advice of the Board of Directors, the Nomination and Remuneration Committee of the Board of Directors of the Company formulated the criteria for evaluation of the performance of the Board of Directors & its Committees, Independent Directors, Non-Independent Directors and the Managing Director of the Board. Based on that, performance evaluation has been undertaken. The Independent Directors of the Company have also convened a separate meeting for this purpose.

## 22. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. Priyank Rakesh Kothari (DIN: 07676104) was appointed as Additional Non-Executive, Non-Independent Director of the Company with effect from 17<sup>th</sup> May, 2021 and further appointed as a Director of the Company in the Annual General Meeting of the Company convened on 20<sup>th</sup> September, 2021.

During the year under review, Mr. Rakesh Govindchand Mehta (DIN: 00002676) was appointed as Additional Non-Executive, Independent Director of the Company with effect from 17<sup>th</sup> May, 2021 and further appointed as a Director of the Company in the Annual General Meeting of the Company convened on 20<sup>th</sup> September, 2021. However Mr. Rakesh Govindchand Mehta resigned from the position of Independent Director of the Company with effect from 09<sup>th</sup> March, 2022.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Priyank Kothari (DIN: 07676104), Director of the Company who retires by rotation and being eligible, offer himself for re-appointment.

### Changes after end of Financial Year:

Mr. Dharmesh Lalitkumar Trivedi (DIN: 03619491) has been appointed as an Additional Non Executive, Independent Director of the Company for a term of 5 years with effect from 07<sup>th</sup> June, 2022 to 06<sup>th</sup> June, 2027 subject to the approval of the shareholders of the Company in the ensuing Annual General Meeting.

### Key Managerial Personnel:

During the year under review, there has been no change in the Key Managerial Personnel (“KMP”) of the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the company are as follows:

Sr No.	Name	Designation
1.	Mr. Narendra Jain	Wholetime Director
2.	Mr. Aakash Jain	Chief Financial Officer
3.	Mr. Sunny Parekh	Company Secretary & Compliance Officer

**23. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:**

The Board of Directors have evaluated the Independent Directors appointed during the year 2021-22 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

**24. SUBSIDIARIES, ASSOCIATES & JOINT VENTURES:**

As on the beginning of the Financial Year, the Company had one Material Subsidiary, i.e., Arvog Forex Private Limited. However, after obtaining the approval of the Members of the Company through a Special Resolution in the 37<sup>th</sup> Annual General Meeting of the Company convened on 20<sup>th</sup> September, 2021, the Company completed sale of 8,75,000 (Eight Lakhs and Seventy Five Thousand) Equity Shares i.e entire shareholding held by the Company in the material subsidiary on 10<sup>th</sup> February, 2022 resulting into Arvog Forex Private Limited ceasing to be subsidiary of the Company.

As on the end of the Financial Year, the Company does not have any subsidiary, associate or joint venture.

**Brief Details and Highlights of Performance of the Subsidiary:**

**Arvog Forex Private Limited (Formerly known as Supama Forex Private Limited)**

Particulars	1st April, 2021 till 10th February, 2022	2020-21
Gross Income	1441.65	8,38.85
Total Expenses	1554.31	8,15.01
Profit/ (Loss) Before Tax	(112.65)	23.84
Less: Tax Expenses	4.79	(21.07)
Net Profit after Tax	(117.45)	2.77

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached to the financial statements of the Company as "Annexure- V". The statement also provides the details of performance and financial position of the Subsidiary Company.

**25. PUBLIC DEPOSITS:**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

**26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

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

**27. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Pursuant to the applicability of the Companies (Corporate Social Responsibility) Rules, 2014, the Board at its meeting held on 15<sup>th</sup> September, 2020 constituted the Corporate Social Responsibility Committee of the Company. In terms of the provisions of the Companies Act, 2013, read with the CSR Rules, the Annual Report on CSR activities under the format prescribed in “Annexure VI” of the CSR Rules is annexed to this Report.

**28. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Company has put in place proper systems and procedures to detect and protect the Organizational resources both tangible and intangible. The Company has also put in place the following to ensure the adequacy of internal financial controls.

The Company has appointed Internal Auditors to check the Internal Controls and also check whether the workflow of the Organization is in accordance with the approved policies of

Financial Statements, Internal Auditors present to the Audit Committee, the Internal Audit Report and Management Comments on the Internal Audit observations.

The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors Report.

**29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Pursuant to Regulation 34(2) of the SEBI (Listing Obligations and Disclosures Requirements) (LODR) Regulation, 2015 with the Stock Exchanges, the Management Discussion & Analysis Report for the year under review is given under a separate section as “Annexure VII”.

**30. MAINTENANCE OF COST RECORDS AS MANDATED BY THE CENTRAL GOVERNMENT**

Pursuant to the provisions of Section 148(1) of the Companies act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company was required is not required to maintain cost records.



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

The Company has been employing women employees in various cadres within the Office premises. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The composition of Internal Complaints Committee is as under:

Mrs. Sugandhi Ravi Kumar - Presiding Officer  
Ms. Spardha Sharma - Member  
Mr. Aakash Nemichand Jain - Member  
Ms. Saily Ambavkar - External Member

There was no complaint received from any employee during the financial year 2021-22 and hence no complaint is outstanding as on 31.03.2022 for redressal.

**32. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

As on March 31, 2022, there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

**33. AUDIT COMMITTEE**

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report.

**34. NOMINATION AND REMUNERATION POLICY:**

Pursuant to Section 178 of the Companies Act, 2013 the Board of Directors of your Company has, on recommendation of the Nomination & Remuneration Committee, framed and adopted a policy for selection and appointment of Directors, Senior Management and their remuneration.

**35. LISTING FEES:**

The Equity Shares of the Company is listed on BSE Limited. The Listing fees for the Financial Year 2022-23 for BSE Limited has been paid by the Company.

**36. ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:**

The Whistle Blower Policy is formulated to encourage all employees and directors of the Company to report any unethical behaviour, actual or suspected fraud or violation of the Code of the Company and to provide a secure environment to such employees acting in good



faith and safeguarding them from any adverse action by the management. This policy is in line with the requirements of the Listing Regulations of the Stock Exchange and the provisions of Sub Section 9 of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 which stipulated that every listed Company shall establish a “Vigil Mechanism”.

**37. CONSOLIDATED FINANCIAL STATEMENTS:**

The Consolidated Financial statement of the Company are prepared in accordance with the Indian Accounting Standard prescribed under Section 133 of the Companies Act, 2013 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, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Annual Report.

**38. RISK MANAGEMENT:**

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and the Listing Regulations, the Company has constituted a Risk Management Committee and it has framed and adopted a policy on Risk Management of the Company, to identify the elements of risk which may threaten the existence of the Company and possible solutions to mitigate the risk involved.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

**39. CODE OF CONDUCT:**

The Code of Conduct for the directors and Senior Management Personnel of the Company have been laid by the Board and necessary declaration has been obtained from them. The Company has adopted amended ‘Code of Conduct’ (including code of conduct of Independent Directors) and the terms & conditions for appointment of Independent Directors of the Company in the meeting of Board of Directors held on 12th November, 2014.

A declaration signed by the Executive Director of the Company to this effect is contained at the end of this report. The said Code is posted on the website of the Company i.e. [www.arvog.com](http://www.arvog.com).

**40. AUCTIONS HELD DURING THE YEAR:**

During the Financial Year under review, the Company had conducted 2 (Two) auctions. The details of auctions required to be furnished in the Annual Report of the Company as per Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India (RBI) are stated under:

Date of Auction	number of loan accounts	outstanding amounts (in INR)	value fetched	whether any of its sister concerns participated in the auction
01/07/2021	2	Rs. 5,00,337/-	Rs. 4,74,000/-	No
08/12/2021	2	Rs. 16,56,863/-	Rs 16,80,088/-	No
<b>Total</b>	<b>4</b>	<b>Rs. 21,57,200/-</b>	<b>Rs. 21,54,088/-</b>	

#### 41. SECRETARIAL STANDARDS

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

#### 42. COMMITTEES OF THE BOARD

As on March 31, 2022, the Board had Five committees:

The Audit Committee, The Corporate Social Responsibility Committee, The Nomination And Remuneration Committee, The Risk Management Committee and The Stakeholders Relationship Committee.

The Board, at its meeting held on 30th June, 2021, constituted Risk Management Committee.

During the year, all recommendations made by the committees were approved by the Board.

A detailed note on the composition of the Board and its committees is provided in the Corporate Governance report.

#### 43. BUSINESS RESPONSIBILITY REPORT:

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, top 1000 Listed entities in terms of market capitalization are required to furnish a Business Responsibility Report in the Annual Report. The Company is not required to furnish Business Responsibility Report since the Company does not form a part of top 1000 Listed entities in terms of market capitalization for the Financial Year under review.

#### 44. OTHER DISCLOSURES:

##### (i) Compliance:

The Company has complied with the requisite regulations relating to capital markets. No Penalties/restrictions have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during the last three years.

##### (ii) Whistle Blower Policy:

In line with the best Corporate Governance practices, the Company has in place a system through which the directors and employees may report concerns about unethical behaviour, actual or

suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The employees and directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee. The Whistle-Blower Policy is placed on the website of the Company.

**(iii) Prevention of Insider Trading Code:**

As per SEBI (Prevention of Insider Trading) Regulation, 1992, as amended, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the directors, employees at senior management and other employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the Code. The Compliance Officer is responsible for setting forth procedures and implementation of the code for trading in Company securities. During the year under review there has been due compliance with the said code.

**(iv) Material Subsidiary Policy:**

The Company has framed policy for determining “Material Subsidiaries” to ensure that Board of Directors has overall supervision of functioning of subsidiaries of the Company and to provide the governance framework for such subsidiaries. The policy has been uploaded on the website of the Company i.e. [www.arvog.com/reports-policies/](http://www.arvog.com/reports-policies/).

**(v) CEO/ CFO Certification:**

The certificate certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs is annexed and forms part of the Annual Report.

**45. ACKNOWLEDGEMENT:**

Your Company and its Directors wish to extend their sincerest thanks for the co-operation received from shareholders, bankers and other business constituent during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all employees of the Company.

**For and on behalf of the Board of Directors**

**Sd/-**

**Place: Mumbai**  
**Date: 08<sup>th</sup> August, 2022**

**Ketan Kothari**  
**Chairman**  
**DIN: 00230725**

**Annexure I**

[Pursuant to Section 197 (12) and Rule 5(1) and Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- a. The ratio of remuneration of each of Director to the Median Remuneration of employees who were on the payroll of the Company during the financial year 2021-22 is given below:

Sr. No.	Name	Designation	Ratio of median remuneration
1.	#Mr. Priyank Rakesh Kothari	Non- Executive Director	4.442:1
2.	Mr. Narendra Champalal Jain	Whole Time Director	6.66:1

*#During the year under review, Mr. Priyank Rakesh Kothari (DIN: 07676104) was appointed as Additional Non Executive, Non Independent Director of the Company with effect from 17<sup>th</sup> May, 2021 and further appointed as a Director of the Company with effect from 20<sup>th</sup> September, 2021.*

- b. The Percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer in the financial year is as follows:

Sr. No.	Name of Director, Chief Financial Officer & Company Secretary	Designation	% of Increase in remuneration in the financial year
1.	Mr. Priyank Rakesh Kothari	Non- Executive Director	Nil
2.	Mr. Narendra Champalal Jain	Whole Time Director	Nil
3.	Mr. Sunny Dilip Parekh	Company Secretary and Compliance Officer	10%
4.	Mr. Aakash Nemichand Jain	Chief Financial Officer	7.5%

- c. The percentage increase / (decrease) in the median remuneration of employees in the Financial Year was 11.79%
- d. The number of permanent employees on the rolls of Company as on 31st March, 2022 was 23.
- e. The average increase in salaries of Employees other than Managerial personnel was 17.4% while the average increase in Managerial remuneration was 3.1%.
- f. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms remuneration is as per the remuneration policy of the Company.

- g. Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the directors report for the year ended March 31, 2021.

During the year under review none of the employees of the Company was drawing remuneration equal to or more than One Crore and Two Lacs per annum and Eight Lacs & Fifty Thousand per month pursuant to Provisions of Section 197(12) read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Details of Top 10 Employees in terms of remuneration drawn as per Rule 5(2) and 5(3) are as follows:

Employee Name	Designation	Nature of Employment	Educational Qualification	Age (in years)	Experience (in years)	Date of Joining	Gross Remuneration	Previous Employment and Designation	The percentage of equity shares held by the employee in the Company	Whether such employee is a relative of any director or manager of the Company
Narendra Jain	Wholetime Director	Permanent	CFA, CA, B Com	41	18	01-09-2020	27,00,000	ICICI Bank - Manager	0	No
Priyank Kothari	Non Executive Director	Permanent	Masters in Entrepreneurship, Innovation and Enterprise Development	25	5	01-04-2020	18,00,000	RSBL Dia Jewels Pvt Ltd (Director)	0	He is a part of the extended family of Mr. Ketan Kothari
Sunny Parekh	Company Secretary & Compliance Officer	Permanent	Company Secretary, M Com	32	9	26-07-2013	14,30,000	Times Of Money - CS Intern	0	No
Aakash Jain	Chief Financial Officer	Permanent	Chartered Accountant	29	8	08-10-2019	12,90,000	Pareto Capital - VP Investment Banking	0	No
Spardha Sharma	Manager Finance & Accounts	Permanent	Chartered Accountant	30	6.5	24-01-2018	9,91,809	Senior Accounts & Taxation at Lasco Internati	0	No

								onal		
Sagar Nishar	Business Head	Permanent	MIM, FMVA, CS, CFA II (Passed)	26	4	01-04-2021	9,23,542	Valiant Capital - Investment Analyst	0	No
Jay Bhatia	Manager Analysis & Project	Permanent	MBA Finance	28	5.8	08-05-2018	8,30,675	Research Analyst at Gold Stone Devices Private Limited	0	No
Sugandhi Ravi Kumar	Chartered Accountant	Permanent	Chartered Accountant	33	5.5	22-04-2019	7,68,128	Senior Associate at Ashok D Shah and Company	0	No
Visvesh Iyengar	Head Marketing and Communications	Permanent	MMS (Marketing)	34	11	25-05-2018	5,81,833	Himesh Foods Private Limited (Mad Over Donuts)	0	No
Devendra Rawool	Credit Manager	Permanent	B.com	44	15	21-06-2021	3,77,518	My Salary Dost Fintech Pvt Ltd	0	No

**Annexure II**

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended 31/03/2022

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

**FORM NO. MGT – 9**

**I. REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	L65990MH1984PLC032403
<b>Registration</b>	23/03/1984
<b>Name of the Company</b>	Finkurve Financial Services Limited
<b>Category/Sub-Category of the Company</b>	Company having share capital
<b>Address of the registered office and contact details</b>	202/A, 02nd Floor, Trade World, D-Wing, Kamala Mills Compound, S. B. Marg, Lower Parel West, Mumbai, Maharashtra, 400013 Tel. No.: 022-4244 1200 Email – <a href="mailto:finkurvefinancial@gmail.com">finkurvefinancial@gmail.com</a> Website – <a href="http://www.arvog.com">www.arvog.com</a>
<b>Whether listed Company</b>	Yes
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Link Intime India Pvt. Ltd. C101, 247 Park, LBS Marg, Vikhroli (W), Mumbai – 400083. Tel No. 022 49186270 Fax No. 022 49186060 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

**II. PRINCIPAL BUSINESS ACTIVITY 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 products/ services	% of the total turnover of the Company
1.	Other financial service activities, except insurance and pension funding activities, n.e.c.	64990	100%



**III. \*\*\*PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	Arvog Forex Private Limited Address: A/7 Bharat Nagargrant Road Mumbai 400007	U05999MH1996PTC098004	Subsidiary	100%	Section 2 (87) (ii)

*\*\*\*As on the beginning of the Financial Year, the Company had one Material Subsidiary, i.e., Arvog Forex Private Limited. However, after obtaining the approval of the Members of the Company through a Special Resolution in the 37<sup>th</sup> Annual General Meeting of the Company convened on 20<sup>th</sup> September, 2021, the Company completed sale of 8,75,000 (Eight Lakhs and Seventy Five Thousand) Equity Shares i.e entire shareholding held by the Company in the material subsidiary on 10<sup>th</sup> February, 2022 resulting into Arvog Forex Private Limited ceasing to be subsidiary of the Company.*

*As on the end of the Financial Year, the Company does not have any subsidiary, associate or joint venture.*

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

Category of shareholders	No. of shares at the beginning of the year				No. of shares at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	67060700	-	67060700	52.86	67060700	-	67060700	52.86	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	67060700	-	67060700	52.86	67060700	-	67060700	52.86	-

(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	<b>67060700</b>	-	<b>67060700</b>	<b>52.86</b>	<b>67060700</b>	-	<b>67060700</b>	<b>52.86</b>	-
<b>B. PUBLIC SHAREHOLDING</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B) (1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	596486	-	596486	0.47	601486	-	601486	0.47	-
ii) Overseas	3729040	-	3729040	2.94	7414040	-	7414040	5.84	<b>2.9</b>
b) Individuals									
i) Individual Shareholders holding nominal share capital upto 1 lakh	2162280	2065000	4227280	3.33	2055598	2065000	4120598	3.25	(0.08)
ii) Individual Shareholders holding nominal share capital in excess of 1 lakh	45358767	315000	45673767	36.00	44593197	315000	44908197	35.4	(0.6)
c) Others (specify)									
HUF	1603799	-	1603799	1.26	1981170	-	1981170	1.56	0.3

i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) NRI / OCBs	788301	-	788301	0.62	757879	-	757879	0.59	(0.03)
v) Clearing Members / Clearing House	3178825	-	3178825	2.56	14128	-	14128	0.01	(2.55)
vi) Trusts	-	-	-	-	-	-	-	-	-
vii) Limited Liability Partnership	-	-	-	-	-	-	-	-	-
viii) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
ix) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	<b>57417498</b>	<b>2380000</b>	<b>59797498</b>	<b>47.14</b>	<b>57417498</b>	<b>2380000</b>	<b>59797498</b>	<b>47.14</b>	<b>-</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	<b>57417498</b>	<b>2380000</b>	<b>59797498</b>	<b>47.14</b>	<b>57417498</b>	<b>2380000</b>	<b>59797498</b>	<b>47.14</b>	<b>-</b>
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	<b>124478198</b>	<b>2380000</b>	<b>126858198</b>	<b>100</b>	<b>124478198</b>	<b>2380000</b>	<b>126858198</b>	<b>100</b>	<b>-</b>

**d. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr No	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	M/s. Muthoot Bankers (Trivandrum) (through its Partners)	18421050	14.52	18421050	14.52
2.	M/s. Rishabh Jewellers (through its Partners)	8108108	6.39	8108108	6.39
3.	M/s. Nextpact Limited	3729040	2.94	7414040	5.84
4.	Mrs. Sangeeta Bishon Singh	1501500	1.18	1501500	1.18

5.	Mr. Vipul Ramesh Mehta	1396500	1.10	1396500	1.10
6.	Mr. Prakash Rajesh Jain	1372000	1.08	1372000	1.08
7.	Mr. Narendra Shivji Shah	1302000	1.03	1302000	1.03
8.	Mr. Harakchand Fatehchand Vardhan	1050000	0.83	1050000	0.83
9.	Mrs. Shobha Ramesh Mehta	1022000	0.81	1022000	0.81
10.	Dinesh Harakchand Vardhan HUF	1015000	0.08	1015000	0.08

**e. Shareholding of Directors and Key Managerial Personnel as on 31<sup>st</sup> March, 2022:**

Sr No	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Ketan Kothari	53451230	42.13%		
	Change during the year	Nil	Nil		
	At the end of the year (or on the date of separation, if separated during the year)			53451230	42.13%

Other than the above, no other Director and Key Managerial Personnel holds any shares in the Company for the year ended 31st March, 2022.

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposit	Unsecured Loan	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL		NIL	NIL
i) Principal Amount	NIL	<b>69,74,21,890.00</b>		69,74,21,890.00
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	5,96,05,353.68	NIL	5,96,05,353.68
<b>Total (i+ii+iii)</b>	NIL	<b>75,70,27,244.68</b>	<b>NIL</b>	<b>75,70,27,244.68</b>
Change in Indebtedness				

during the financial year				
•Addition (Including Interest)	19,81,57,906.22	<b>3,37,58,59,908.92</b>	NIL	<b>3,57,40,17,815.14</b>
• Reduction (Including TDS)	15,41,61,188.00	<b>3,94,00,13,245.79</b>	NIL	<b>4,09,41,74,433.79</b>
<b>Net Change</b>	4,39,96,718.22	<b>(56,41,53,336.63)</b>	<b>NIL</b>	<b>(52,01,56,618.65)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	4,39,13,301.22	<b>17,29,21,990.05</b>	NIL	<b>21,68,35,291.27</b>
ii) Interest due but not paid	NIL	<b>NIL</b>	NIL	<b>NIL</b>
iii) Interest accrued but not due	83,417.00	<b>1,99,51,918.00</b>	NIL	<b>2,00,35,335.00</b>
<b>Total (i+ii+iii)</b>	4,39,96,718.00	<b>19,28,73,907.81</b>		<b>23,68,70,626.27</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

### A. Remuneration of Managing Director, Whole- time Director and/ or Manager.

Sr. No.	Particulars of Remuneration	Name of Director	
		Mr. Narendra Jain (WTD)	#Mr. Priyank Rakesh Kothari (Director)
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of Perquisites u/s 17(2) Income Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	<b>27,00,000</b>	- - -
2.	Stock Option	-	-
3.	Sweat Equity	-	-
	Commission	-	-
	a.) as a % of profit	-	-
	b.) others, specify	-	-
4.	Others, please specify (professional fees)	-	-
	<b>Total</b>	-	<b>18,00,000</b>
	<b>Total (A)</b>	<b>45,00,000</b>	

**B. Remuneration to other Directors:**

Sr. No.	Particulars or Remuneration	Name of Directors (Independent Directors)					
		Mr. Ranka	Nishant	Mrs. Tilwani	Riddhi	##Mr. Govindchand Mehta	Rakesh
1.	<b>Independent Director</b>						
a.	Fees for attending Board/ Committee Meetings		50,000		50,000		50,000
b.	Commission						
c.	Others, please specify		-		-		-
	Total (1)		-		-		-
2.			50,000		50,000		50,000
	<b>Other Executive &amp; Non-Executive Directors</b>	<b>Mr. Ketan Kothari</b>					
a.	Fee for attending Board/committee meetings				-		
b.	Commission				-		
c.	Others, please specify				-		
	Total (2)				-		
	Total (B)=(1+2)						<b>1,50,000</b>
	Overall Ceiling as per the Act	1% of Net Profit of Company					
	<b>Total Managerial Remuneration (A+B)</b>	<b>46,50,000</b>					

## During the year under review, Mr. Rakesh Govindchand Mehta (DIN: 00002676) was appointed as Additional Non Executive, Independent Director of the Company with effect from 17<sup>th</sup> May, 2021, further appointed as a Director of the Company with effect from 20<sup>th</sup> September, 2021 and resigned as an Independent Director of the Company with effect from 09<sup>th</sup> March, 2022.

**C. Remuneration to key managerial personnel other than MD/ Manager/ WTD:**

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		CFO	CS	
		Mr. Aakash Jain	Mr. Sunny Parekh	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	12,90,000	14,30,000	27,20,000
	(b) Value of Perquisites u/sec 17 (2)			

	Income Tax Act, 1961			
	(c) Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961			
	Stock Option			
2.	Sweat Equity			
3.	Commission as			
4.	a. % of profit			
	b. Others, specify			
5.	Others, Please specify			
	<b>Total</b>	<b>12,90,000</b>	<b>14,30,000</b>	<b>27,20,000</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES (Under the Companies Act): N.A.**

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: 08<sup>th</sup> August, 2022**

**Sd/-**  
**Ketan Kothari**  
**Chairman**  
**DIN: 00230725**

**Annexure III**

**REPORT ON CORPORATE GOVERNANCE**

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

Your Company believes that sound ethical practices, transparency in operations and timely disclosures go a long way in enhancing long-term shareholders value while safeguarding the interest of all the stakeholders. It is this conviction that has led the Company to make strong corporate governance values intrinsic in all operations. The Company is led by a distinguished Board, which includes independent directors. The Board provides a strong oversight and strategic counsel. The Company has established systems and procedures to ensure that the Board of the Company is well-informed and well-equipped to fulfil its oversight responsibilities and to provide management the strategic direction it needs to create long-term shareholders value.

**BOARD OF DIRECTORS:**

**###Composition:**

The Board of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. The strength of the Board, includes one Woman Director. The composition of the Board of the Directors is in conformity with the Listing Regulations. No relationship exists between the Directors inter-se except that Mr. Priyank Rakesh Kothari (DIN: 07676104), Director of the Company is a part of extended family of Mr. Ketan Kothari (DIN: 00230725), Chairman of the Company. The details of the Directors and their directorships/Memberships in Committees of other companies as on 31<sup>st</sup> March, 2022, (excluding Finkurve Financial Services Limited) are as under.

Sr. No.	Name of Director	Category	No. of Directorships in other Companies	Committee Positions in Listed & Unlisted Public Companies		Name of the listed entity where the person is a Director
				Chairman	Member	
1.	Mr. Ketan Bhawarlal Kothari	Non-Executive, Non-Independent	6 (Six)	1 (One)	0 (Nil)	-
2.	Mr. Narendra Champalal Jain	Executive, Non-Independent	1 (One)	0 (Nil)	0 (Nil)	-



3.	Mrs. Riddhi Kamlesh Tilwani	Non- Executive, Independent	0 (Nil)	0 (Nil)	0 (Nil)	-
4.	Mr. Nishant Tolchand Ranka	Non- Executive, Independent	1 (One)	2 (Two)	0 (Nil)	-
5.	Mr. Priyank Rakesh Kothari	Non- Executive, Non-Independent	2 (Two)	0 (Nil)	0 (Nil)	-

**###During the year under review, Mr. Priyank Rakesh Kothari (DIN: 07676104) was appointed as Additional Non Executive, Non Independent Director of the Company with effect from 17<sup>th</sup> May, 2021 and further appointed as a Director of the Company with effect from 20<sup>th</sup> September, 2021.**

**### During the year under review, Mr. Rakesh Govindchand Mehta (DIN: 00002676) was appointed as Additional Non Executive, Independent Director of the Company with effect from 17<sup>th</sup> May, 2021, further appointed as a Director of the Company with effect from 20<sup>th</sup> September, 2021 and resigned as an Independent Director of the Company with effect from 09<sup>th</sup> March, 2022.**

#### **Profile of Directors:**

The brief profile of the Company's Board is as under:

##### **(i) Mr. Ketan Kothari (DIN: 00230725):**

Mr. Ketan Kothari is the Non-Executive Chairman of the Company and has done M.A. in Finance & Investments from Nottingham University, UK and joined RiddiSiddhi Bullions Limited (RSBL) in the year 2003. He has been instrumental in the successful technical implementation of the futures trading division as well as RSBL Spot. He has been in the forefront in the launch of India's first structured product in the commodities market - RSBL Optionally Convertible Debentures (OCDs). Also, to address the growing demand of bullion investments, he introduced an innovative product called 'Bullion++' which is primarily targeted to HNIs and provides a dual income advantage. Mr. Ketan Kothari is now spearheading new product development and innovation at Finkurve Financial Services Limited.

##### **(ii) Mr. Narendra Jain (DIN: 08788557):**

Mr. Narendra Jain is an Associate Member of Institute of Chartered Accountants of India and holds a Bachelor's degree in Commerce. He has accumulated extensive experience of over 16 years throughout his career in the fields of Forex, Treasury, Bullion, Finance, Secondary Market, Derivatives, Market Making etc. Mr. Jain was associated with ICICI Bank Ltd. for over 6 years during which he launched the Forex Trading Platform (CTS) which saved the Bank's cost by INR 10 Million per annum. He was awarded the most prestigious 'Captain of the 7Cs' award for CTS outsourcing project at GMG Annual Awards function. He served as the Assistant Vice President at the MUFG Bank (previously known as The Bank of Tokyo Mitsubishi UFJ Ltd.) for 2 years and then as the Vice President for 4 years.

**(iii) Mr. Priyank Kothari (DIN: 07676104):**

Mr. Priyank Kothari holds a Bachelor's degree in Commerce and a Master's Degree in Entrepreneurship, Innovation and Enterprise Development. He is a Director in a Jewellery designing and manufacturing company, RSBL Dia Jewels Private Limited, since 2017 and has contributed to the expansion and diversification of the same since then. He has been working with Finkurve Financial Services Limited since 2020 in Operations Team wherein he is handling the gold loan portfolio of the Company along with other retail loans. He has also been working towards the automation of business processes of the Company.

**(iv) Mrs. Riddhi Tilwani (DIN: 06910038):**

Mrs. Riddhi Tilwani is a Non-Executive Independent Director of the Company and is a qualified Company Secretary from the Institute of Company Secretaries of India. She has an experience of over 8 years in Secretarial and Compliance field.

**(v) Mr. Nishant Ranka (DIN: 06609705):**

Mr. Nishant Ranka is a Non-Executive Independent Director of the Company and is a qualified Chartered Accountant from Institute of Chartered Accountants of India. He has an experience of over 17 years in the field of Accountancy and Finance.

**\*#Board Meetings**

During the year 10 (Ten) Board Meetings were held i.e on 19<sup>th</sup> April, 2021, 17<sup>th</sup> May, 2021, 30<sup>th</sup> June, 2021, 13<sup>th</sup> August, 2021, 24<sup>th</sup> August, 2021, 13<sup>th</sup> November, 2021, 28<sup>th</sup> December, 2021, 09<sup>th</sup> February, 2022 and 14<sup>th</sup> February, 2022 and 30<sup>th</sup> March, 2022.

The particulars of attendance of Directors are as under:

Sr. No.	Name of Director	No. of Board Meeting attended	Attendance at AGM held on 20 <sup>th</sup> September, 2021
1.	Mr. Ketan Bhawarlal Kothari	9 out of 10	Yes
2.	Mr. Narendra Champalal Jain	10 out of 10	Yes
3.	Mr. Priyank Rakesh Kothari	8 out of 8	Yes
4.	Mr. Nishant Tolchand Ranka	10 out of 10	Yes
5.	Mrs. Riddhi Kamlesh Tilwani	10 out of 10	Yes
6.	Mr. Rakesh Govindchand Mehta	8 out of 8	Yes

*\*#During the year under review, Mr. Priyank Rakesh Kothari (DIN: 07676104) was appointed as Additional Non Executive, Non Independent Director of the Company with effect from 17<sup>th</sup> May, 2021 and further appointed as a Director of the Company with effect from 20<sup>th</sup> September, 2021.*

*\*#During the year under review, Mr. Rakesh Govindchand Mehta (DIN: 00002676) was appointed as Additional Non Executive, Independent Director of the Company with effect from 17<sup>th</sup> May,*

*2021, further appointed as a Director of the Company with effect from 20<sup>th</sup> September, 2021 and resigned as an Independent Director of the Company with effect from 09<sup>th</sup> March, 2022.*

**Induction and Training of Board Members:**

On appointment, the concerned director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program including the presentation on the Company's finance and other important aspects. The Company Secretary briefs the director about their legal and regulatory responsibilities as a director.

**Core skills/ Expertise/ Competencies of the Board of Directors**

Pursuant to Schedule V of the Listing Regulations, the Core skills/ Expertise/ Competencies required in context of the Company's business and sector are listed below along with the names of the Directors who possess it:

Core skills/ Expertise/ Competencies	Name of the Directors who possess it
Industry Knowledge	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Rakesh Govindchand Mehta Mrs. Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka
Financial Literacy and Audit	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Rakesh Govindchand Mehta Mrs. Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka
Banking, Investment, Financial Services	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Rakesh Govindchand Mehta Mrs. Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka
Risk Management	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Rakesh Govindchand Mehta Mrs. Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka

Economics & Market conditions	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Rakesh Govindchand Mehta Mrs. Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka
Governance & Regulatory Knowledge	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Rakesh Govindchand Mehta Mrs. Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka

**###Independent Directors:**

Pursuant to the provisions of the section 149 of the Companies Act, 2013, the following Non-Executive Directors are appointed as Independent Directors:-

Sr. No.	Name of Director	Date of Appointment
1	Mr. Rakesh Mehta	17/05/2021
2	Mr. Nishant Tolchand Ranka	07/03/2018
3	Mrs. Riddhi Kamlesh Tilwani	01/07/2014

*###During the year under review, Mr. Rakesh Govindchand Mehta (DIN: 00002676) was appointed as Additional Non Executive, Independent Director of the Company with effect from 17<sup>th</sup> May, 2021, further appointed as a Director of the Company with effect from 20<sup>th</sup> September, 2021 and resigned as an Independent Director of the Company with effect from 09<sup>th</sup> March, 2022.*

Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of SEBI Listing Regulations, in the opinion of the Board, all the independent directors fulfill the conditions as specified in the SEBI Listing Regulations and are independent of the management. Certificate from Company secretary in practice certifying that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/ Ministry of Corporate Affairs or any other statutory authority is annexed to this report.

**Separate Meeting of Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 30<sup>th</sup> June, 2021 to review the performance of Non-Independent Directors, Chairman and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

**Familiarization Programme of Independent Directors:**

Whenever any person joins the Board of the Company as an Independent Director, an induction programme is arranged for him/her wherein he/she is familiarised with the Company, their roles, rights and responsibilities in the Company, the code of conduct to be adhered, nature of the industry in which the Company operates, business model of the Company, meeting with the senior management team Members, etc. The details of familiarization programmes imparted to Independent Directors can be viewed at our website [www.arvog.com/reports-policies/](http://www.arvog.com/reports-policies/)

**Woman Director:**

In terms of the provision of Section 149 of the Companies Act, 2013 and Regulation 17 (1) of SEBI (LODR) Regulations, 2015 a company shall have at least one woman director on the board of the company. Your Company has one woman director Mrs. Riddhi Kamlesh Tilwani on Board w.e.f. 01<sup>st</sup> July, 2014 who was re-appointed for a second term of 5 years ending 30<sup>th</sup> June, 2024 at the Annual General Meeting of the Company convened on 30<sup>th</sup> September, 2019.

**\*\*\*Committees of the Board:**

As on 31<sup>st</sup> March, 2022 the Company has Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Social Responsibility Committee. The details of these Committees are set out below.

***\*\*\* The Risk Management Committee of the Company was constituted with effect from 30<sup>th</sup> June, 2021.***

**1. Audit Committee:**

**Composition:**

The Audit Committee comprises with following Members as on 31<sup>st</sup> March, 2022:

Sr. No.	Name of the Member	Designation
1.	Mr. Nishant Ranka	Chairman, Independent Director
2.	Mr. Narendra Jain	Member, Executive Director
3.	Mrs. Riddhi Tilwani	Member, Independent Director

**Meetings and attendance:**

During the year under review, the Committee met 4 (Four) times on 30<sup>th</sup> June, 2021, 13<sup>th</sup> August, 2021, 13<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022

Name of the Committee Members along with their attendance are given below:

Sr. No.	Name of the Member	Designation	No. of meetings attended
1.	Mr. Nishant Ranka	Chairman	4 of 4
2.	Mr. Narendra Jain	Member	4 of 4
3.	Mrs. Riddhi Tilwani	Member	4 of 4

**Terms of reference:**

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Regulations of the stock exchange read with Section 177 of the Companies Act, 2013. These broadly includes

- (i) Develop an annual plan for Committee.
- (ii) Review of financial reporting processes.
- (iii) Review of risk management, internal control and governance processes
- (iv) Discussions on quarterly, half yearly and annual financial statements
- (v) Interaction with statutory and internal auditors
- (vi) Recommendation for appointment, remuneration and terms of appointment of auditors and
- (vii) Risk management framework concerning the critical operations of the Company.

**In addition to the above, the Audit Committee also reviews the following:**

- (i) Matter included in the Director's Responsibility Statement
- (ii) Changes, if any, in the accounting policies
- (iii) Major accounting estimates and significant adjustments in financial statement
- (iv) Compliance with listing and other legal requirements concerning financial statements
- (v) Disclosures in financial statement including Related Party Transactions
- (vi) Qualification in draft audit report
- (vii) Scrutiny of inter-corporate loans & investments
- (viii) Management's Discussions and Analysis of Company's operations
- (ix) Valuation of undertakings or assets of the Company, wherever it is necessary
- (x) Periodical Internal Audit Reports and the report of Risk Management Committee, if any
- (xi) Findings of any special investigations carried out either by the Internal Auditors or by the external investigating agencies.
- (xii) Letters of Statutory Auditors to management on internal control weakness, if any.
- (xiii) Major non routine transactions recorded in the financial statements involving exercise of judgment by the management.
- (xiv) Recommend to the Board the appointment, re-appointment and, if required the replacement or removal of the statutory auditors considering their independence and effectiveness, and recommend the audit fees.
- (xv) Subject to review by the Board of Directors, review on quarterly basis, Related Party Transactions entered into by the Company pursuant to each omnibus approval given.

## 2. Nomination & Remuneration Committee:

### Composition:

The Nomination and Remuneration Committee comprises with following Members as on 31<sup>st</sup> March, 2022:

Sr. No.	Name of the Member	Designation
1.	Mr. Nishant Ranka	Chairman, Independent Director
2.	Mr. Ketan Kothari	Member, Non-Executive Director
3.	Mrs. Riddhi Tilwani	Member, Independent Director

### Meetings and attendance:

During the year under review, the Committee met 3 (Two) times on 30<sup>th</sup> April, 2021, 30<sup>th</sup> June, 2021 and 24<sup>th</sup> August, 2021.

Name of the Committee Members along with their attendance are given below:

Sr. No.	Name of the Member	Designation	No. of meetings attended
1.	Mr. Nishant Ranka	Chairman	3 of 3
2.	Mr. Ketan Kothari	Member	3 of 3
3.	Mrs. Riddhi Tilwani	Member	3 of 3

### Terms of reference:

- i. To identify persons who are qualified to become directors and who may be appointed in Senior Management level in accordance with the criteria laid down in the Nomination & Remuneration policy.
- ii. To recommend to the Board, appointment and removal of the directors and evaluation of every director's performance as laid down in the Nomination & Remuneration policy
- iii. To formulate the criteria for determining qualifications and positive attributes of the Directors
- iv. To deal with the matters relating to the remuneration payable to Whole Time Directors, Key Managerial Personnel and Senior Management Executives and commission, if any, to be paid to Non-Executive Directors, apart from sitting fees.
- v. To review the overall compensation policy, service agreement and other employment conditions of Whole Time Directors, Key Managerial Personnel and Senior Management Executives which include the employees designated as Vice-President and above (normally include the first layer of management below the Board level),
- vi. To deal with other matters as the Board may refer to the Nomination and Remuneration Committee ("the Committee") from time to time.

**Performance evaluation criteria of Independent Director:**

The Company has carried out performance evaluation of its Independent Directors individually. The structured evaluation process contained various aspects of the functioning of Independent Directors and their roles, frequency of meetings, level of participation, and independence of judgments, performance of duties and obligations and implementation of good corporate governance practices. The Company expressed its satisfaction on the performance of Independent Directors individually.

**3. Stakeholder's Relationship Committee:**

**Composition:**

The Stakeholder Relationship Committee comprises with following Members as on 31<sup>st</sup> March, 2022:

Sr. No.	Name of the Member	Designation
1.	Mr. Ketan Kothari	Chairman, Non-Executive Director
2.	Mr. Nishant Ranka	Member, Independent Director
3.	Mrs. Riddhi Tilwani	Member, Independent Director

**Meeting and attendance:**

During the year under review, the Committee met 4 (Four) times on 30<sup>th</sup> June, 2021, 24<sup>th</sup> August, 2021, 13<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022.

Name of the Committee Members along with their attendance are given below:

Sr. No.	Name of the Member	Designation	No. of meetings attended
1.	Mr. Ketan Kothari	Chairman	4 of 4
2.	Mr. Nishant Ranka	Member	4 of 4
3.	Mrs. Riddhi Tilwani	Member	4 of 4

Mr. Sunny Parekh, Company Secretary of the Company has been designated as Compliance Officer (E-mail ID: finkurvefinancial@gmail.com) for complying with the requirements of SEBI (LODR) Regulations, 2015 with the Stock Exchanges.

**Terms of Reference:**

The Committee focuses primarily on monitoring and ensuring that all investor services operate in an efficient manner and that shareholder and investor grievances/complaints including that of all other stakeholders are addressed promptly with the result that all issues are resolved rapidly and efficiently.



#### Details of Investor Complaints

Number of Complaints received from 01/04/2021 to 31/03/2022			
Number of Pending Complaints as on 01/04/2021	Number of Shareholders' Complaints received during the Financial Year	Number of Complaints not solved to the Satisfaction of Shareholders	Number of Pending Complaints as on 31/03/2022
Nil	Nil	Nil	Nil

#### 4. Risk Management Committee

##### Composition:

The Risk Management Committee comprises with following Members as on 31<sup>st</sup> March, 2022:

Sr. No.	Name of the Member	Designation
1.	Mr. Nishant Ranka	Chairman, Independent Director
2.	Mr. Priyank Kothari	Member, Non-Executive Director
3.	Mrs. Riddhi Tilwani	Member, Independent Director

##### Meeting and attendance:

During the year under review, the Committee met 2 (Two) times on 03<sup>rd</sup> January, 2022 and 14<sup>th</sup> February, 2022

Name of the Committee Members along with their attendance are given below:

Sr. No.	Name of the Member	Designation	No. of meetings attended
1.	Mr. Nishant Ranka	Chairman	2 of 2
2.	Mr. Priyank Kothari	Member	2 of 2
3.	Mrs. Riddhi Tilwani	Member	2 of 2

##### Terms of reference

- (i) Formulate a Risk Management Framework and/or Risk Management Policy and recommend the said framework and/or Policy and any amendments thereto to the Board for its approval;
- (ii) Ensure that appropriate methodology, processes and systems are in place to monitor, evaluate and report risks associated with the business of the Corporation;
- (iii) Review the adequacy of the existing measures to mitigate risks covering various functions of the Corporation;
- (iv) Evaluate and approve new risks and the mitigation measures that may be recommended by the Risk Manager(s) in respect of any function and review the action taken for its implementation on an ongoing basis;

- (v) Evaluate and ensure that appropriate processes and systems are in place to monitor, evaluate and report cyber security risks associated with the business of the Corporation and to review the adequacy of the existing measures to mitigate the said risk.
- (vi) The Committee shall perform such other functions as may be required under the relevant provisions of the Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2015, any other applicable laws and various circulars issued by the regulatory authorities thereof, as amended from time to time.

## **5. Corporate Social & Business Responsibility Committee**

In line with the requirements of Section 135 of the Act, your Board has constituted a Corporate Social Committee of the Board to oversee the CSR functions of the Company. The details of meetings of the Corporate Social Committee including composition are provided in the Annual Report on Corporate Social Responsibility appended to the Annual Report.

### **Terms of reference**

- (i) To annually review the CSR Policy and associated frameworks, processes and practices of the Company and make appropriate recommendations to the Board.
- (ii) To monitor if the Company is taking appropriate measures to ensure the successful implementation of CSR activities.
- (iii) To identify the areas of CSR activities and recommend the amount of expenditure to be incurred on such activities.
- (iv) To review the Company's initiatives and programs from time to time.
- (v) To formulate and monitor the implementation of the CSR annual action plan, in accordance with the Company's CSR policy and provisions of applicable laws from time to time.
- (vi) To recommend the CSR annual action plan and any modification(s) thereto during the financial year, for the approval of the Board from time to time.
- (vii) To review the impact assessment report(s) (if any), and place them before the Board.
- (viii) To monitor the identification and implementation of multi-year projects / programs ("Ongoing Projects")
- (ix) To monitor the administrative overheads in pursuance of CSR activities or projects or programs so that they do not exceed the prescribed thresholds.
- (x) To formulate necessary monitoring mechanism to enable the Board to satisfy itself that the funds disbursed for CSR activities or projects or programs have been utilized for the purposes and in the manner as approved by it.

### **Remuneration to Directors:**

#### **Criteria of making payment to Non- Executive Directors:**

Company does not make any payments to Non-Executive Directors towards their services except from the sitting fees which are cited below:

Details of sitting fees paid to the Non-Executive Directors during the Financial Year ended 31<sup>st</sup> March, 2022 are given below:

Sr. No.	Name of Director	Sitting Fees (Amount in Rs.)	Annual Remuneration/ Commission (Amount in Rs.)	No. of shares held
1.	Mr. Ketan Bhawarlal Kothari	-	-	5,34,51,230
2.	Mr. Priyank Rakesh Kothari		18,00,000	Nil
3.	Mr. Nishant Tolchand Ranka	50,000	-	Nil
4.	Mrs. Riddhi Kamlesh Tilwani	50,000	-	Nil
5.	Mr. Rakesh Govindchand Mehta	50,000	-	Nil

The tenure of the Independent Directors is fixed in accordance with the requirements laid down in the Companies Act, 2013 and clarifications/circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

The Disclosures with respect to the remuneration of the director is given in the Annexure - I of the Directors Report.

**Disclosure regarding appointment/ re-appointment of Directors:**

The details of the directors who are being appointed/ reappointed are provided in the Notice to the Annual General Meeting.

**GENERAL BODY MEETINGS:**

**Details of last three Annual General Meetings ('AGM') and Special Resolutions passed:**

Financial Year	Date of AGM	Time and venue	Special Resolutions passed
2018-19	30 <sup>th</sup> September, 2019	Office No. 202, D – Wing, Trade World, Kamala Mills Compound, Lower Parel (W), Mumbai – 400 013 at 02:00 p.m.	1. Issue of Non – Convertible Debenture on Private Placement Basis 2. Re-appointment of Mrs. Riddhi Tilwani (DIN: 06910038) as Independent Director of the Company
2019-20	30 <sup>th</sup> September, 2020	Through Video Conferencing	1. Issue of Non – Convertible Debenture on Private Placement Basis 2. Appointment of Mr. Narendra Jain (DIN:08788557) as Whole-time Director of the

2020-21	20 <sup>th</sup> September, 2021	Through Video Conferencing	<p><b>Company</b></p> <p>1. To appoint Mr. Rakesh Govindchand Mehta (DIN: 00002676), as Non-Executive Independent Director of the Company</p> <p>2. To appoint Mr. Priyank Rakesh Kothari (DIN: 07676104), as Non-Executive Non-Independent Director of the Company</p> <p>3. To disinvest the shares held by the Company in Arvog Forex Private Limited, Material Subsidiary of the Company</p> <p>4. To issue Non – Convertible Debentures on Private Placement Basis</p>
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During the year under review, the Company has not passed any Special Resolution through postal ballot as per the provisions of the Companies Act, 2013 and the rules framed there under.

**Extra-Ordinary General Meeting:**

During the year under review, no Extra-Ordinary General Meeting was held.

**MEANS OF COMMUNICATION:**

The Company publishes its annual, half-yearly and quarterly financial results in Financial Express and The Global Times which are national and local newspapers, respectively. The Company also publishes its Board Meeting and other notices in the above mentioned newspaper.

The Company's financial results and official news releases if any, are displayed on the Company's official website [www.arvog.com](http://www.arvog.com).

**GENERAL SHAREHOLDER INFORMATION:**

1.	38 <sup>th</sup> Annual General Meeting	38 <sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Monday, 05 <sup>th</sup> September, 2022 at 2:00 p.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')
2.	Financial Year	1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022
3.	Details of Stock Exchange	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.
4.	Annual Listing Fees	The Company has duly paid the Annual Listing Fees to BSE Ltd.
5.	BSE Scrip code	508954
6.	ISIN	INE734I01027
7.	Registrar and Share Transfer Agent	Link Intime India Pvt. Ltd. C101, 247 Park, LBS Marg, Vikhroli (W), Mumbai – 400083. Tel No. 022 49186270 Fax No. 022 49186060 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
8.	Share Transfer System	Transfer of securities in physical form are prohibited by SEBI with effect from April 1, 2019.  All physical transmission, transposition, issue of duplicate share certificates, etc. as well as requests for dematerialisation/re-materialisation of shares are processed by Link Intime India Pvt. Ltd.
9.	Address for Correspondence	202/A, 02nd Floor, Trade World, D-Wing, Kamala Mills Compound, S. B. Marg, Lower Parel West, Mumbai, Maharashtra, 400013  Tel No: 022 – 4244 1200 Fax No: 022 – 22662385 Email: <a href="mailto:finkurvefinancial@gmail.com">finkurvefinancial@gmail.com</a>
10.	Credit rating	The Company has received a Credit Rating of IVR BBB-/ Stable w.r.t Proposed Long Term Bank Facilities and IVR A3 w.r.t Proposed Short Term Bank Facilities from Infomerics Valuation and Rating Pvt. Ltd. vide its press release dated 31 <sup>st</sup> July, 2021.

**11. Market Price Data of the Company:**

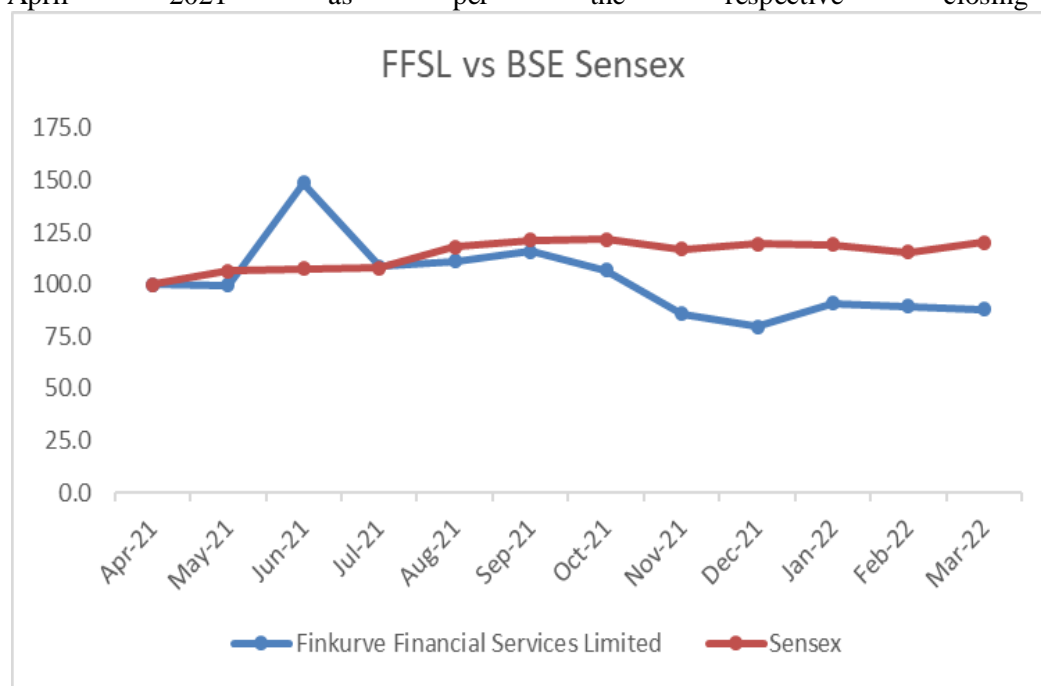
11.1 High, low during each month in last financial year:

<u>Month</u>	<u>Values as per BSE</u>			<u>Closing BSE Sensex</u>
	<u>High</u>	<u>Low</u>	<u>Closing</u>	
April 2021	55.40	40.25	44.05	48782.36
May 2021	68.40	40.05	65.45	51937.44
June 2021	72.00	59.85	62.05	52482.71
July 2021	65.15	43.75	48.10	52586.84
August 2021	57.00	44.65	50.95	57552.39
September 2021	60.75	46.65	47.55	59126.36
October 2021	57.20	43.00	47.80	59306.93
November 2021	49.80	34.60	39.60	57064.87
December 2021	44.20	32.10	39.60	58253.82
January 2022	44.45	36.65	38.80	58014.17
February 2022	60.35	35.95	41.90	56247.28
March 2022	67.00	35.45	60.70	58568.51

\*Source of Data: [www.bseindia.com](http://www.bseindia.com)

11.2 Monthly performance as compared to BSE Sensex:

Finkurve Financial Services Limited ('FFSL') stock performance Vs BSE Sensex, indexed to 100 on April 2021 as per the respective closing values.



12. Distribution of Shareholding

12.1 Shareholding pattern across categories:

	Categories	Number of Shares	% of Shares
<b>A</b>	Promoter & Promoter Group	67060700	52.86
	<b>Sub Total</b>	<b>67060700</b>	<b>52.86</b>
<b>B</b>	<b>Non-Promoter</b>		
	Indian Bodies Corporates	601486	0.47
	Overseas Bodies Corporate	7414040	5.84
	Individual Shareholders holding nominal share capital upto 1 lakh	4120598	3.25
	Individual Shareholders holding nominal share capital in excess of 1 lakh	44908197	35.4
	HUFs	1981170	1.56

	Non-Resident Indians	757879	0.59
	Clearing Members	14128	0.01
	<b>Sub Total</b>	<b>59797498</b>	<b>47.14</b>
<b>C</b>	<b>Grand Total (A+B)</b>	<b>126858198</b>	<b>100</b>

### 12.2 Shareholding pattern across different sizes:

Range of Shareholding	Number of Members	% of Members	Number of Shares held	% of Shares held
upto 500	1051	80.25	42933	0.04
501-1000	29	2.21	23043	0.03
1001-10000	80	6.11	270735	0.21
10001-50000	73	5.57	2172403	1.71
50001-100000	29	2.21	1874417	1.47
100001-1000000	33	2.51	11077039	8.73
1000001-5000000	10	0.76	17879040	14.09
5000000 & Above	5	0.38	93518588	73.72
<b>Total</b>	<b>1130</b>	<b>100</b>	<b>126858198</b>	<b>100</b>

### 13. Dematerialising/ Re-materialising of Shares

During the financial year 2021-22, no shares were dematerialised or rematerialized. The bifurcation of the shares held in physical and electronic mode is as follows:

Particulars	As on 31 <sup>st</sup> March, 2022		As on 01 <sup>st</sup> April, 2021	
	No. of shares	% of shares	No. of shares	% of shares
Held in CDSL	110302138	86.95	115188852	90.80
Held in NSDL	14176060	11.97	9289346	7.32
<b>Total shares held in electronic form (I)</b>	<b>124478198</b>	<b>98.12</b>	<b>124478198</b>	<b>98.12</b>
<b>Shares held in Physical form (II)</b>	<b>2380000</b>	<b>1.88</b>	<b>2380000</b>	<b>1.88</b>
<b>Total shares (I+II)</b>	<b>126858198</b>	<b>100</b>	<b>126858198</b>	<b>100</b>

### OUTSTANDING GLOBAL DEPOSITORY RECEIPTS (GDRS) OR AMERICAN DEPOSITORY RECEIPTS (ADRS) OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company does not have any outstanding GDRs/ ADRs/ Warrants or any Convertible instruments as on date.

### COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company had no exposure to Commodity Price risk and Foreign Exchange Risk and Hedging activities during the FY 2021-22.



**EVALUATION OF THE BOARD'S PERFORMANCE:**

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

**DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received a declaration made by the Independent Directors of the Company that they have fulfilled the criteria given under Section 149(6) of the Companies Act, 2013 and other applicable provisions.

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS FROM PRACTISING COMPANY SECRETARY:**

A certificate issued by M/s. Mayank Arora & Co., Company Secretaries, pursuant to Regulation 34(3) read with Clause 10 (i) of Paragraph C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority for the period as on 31st March, 2022 is attached at the end of the Corporate Governance Report.

**OTHER DISCLOSURES:**

**1. Related Party Transactions :**

There are no transactions of materially significant nature that have been entered into by the Company with the promoters, directors, their relatives and the management and in any Company in which they are interested, that may have potential conflict with the interest of the Company. The transactions entered into by the Company with related parties in the normal course of business. The Members may refer to the Notes to Accounts for details of Related Party Transactions . The Board of Directors of the Company on the recommendation of the Audit Committee has adopted a policy to regulate transactions between the Company and its Related Parties in compliance with the applicable provisions of the Companies Act, 2013 the Rules there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has approved a policy for Related Party Transactions which has been uploaded on the Company's website at [www.arvog.com/reports-policies/](http://www.arvog.com/reports-policies/).

**2. Details of non-compliance by the Company, penalties, strictures:**

There was no non-compliance by the Company and there were no penalties or strictures imposed on the Company by the stock exchange or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years 2018-19, 2019-20 and 2020-21.

**3. Whistle Blower Policy and Vigil Mechanism:**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations, the details of the same are mentioned in the Directors' Report. No person has been denied access to the Audit Committee. The said policy is also available on the Company's website at [www.arvog.com/reports-policies/](http://www.arvog.com/reports-policies/).

**4. Policies:**

The policy for determining 'material' subsidiaries, the policy on Related Party Transactions and other policies are available on the Company's website at [www.arvog.com/reports-policies/](http://www.arvog.com/reports-policies/).

**5. Utilization of funds raised through Preferential Allotment:**

The Company did not raise any funds by way of issue of securities during the year under review.

**6. Consolidated fees paid to the Statutory Auditor:**

The total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is Rs. 1,80,000/-.

**7. Disclosure in relation to Sexual Harassment of women at workplace:**

The Company did not receive any complaint in relation to sexual harassment during the year. The Company has in place a policy for prevention of sexual harassment which is available on the Company's website at [www.arvog.com/reports-policies/](http://www.arvog.com/reports-policies/).

**8. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':**

The details of Loans and advances made by the Company to firms / companies in which the Directors are interested stated in the respective schedule of the Financial Statements of the Company.

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant To Regulation 34(3) And Schedule V Para C Clause (10)(I) Of The Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015*

To,  
The Members of  
**Finkurve Financial Services Limited,**  
**202/A, 02nd Floor, Trade World, D-Wing,**  
**Kamala Mills Compound, S. B. Marg,**  
**Lower Parel West**  
**Mumbai - 400013**

In my opinion and to the best of my information, verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) and according to our examination of the relevant records and information provided by **FINKURVE FINANCIAL SERVICES LIMITED** ('the Company') and based on representation made by the Management of the Company for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 for the purpose of issuing a Certificate as per Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the LODR Regulations') read with Part C of Schedule V of the LODR Regulations, I hereby certify that **NONE** of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory Authority for the period as on 31st March, 2022.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Mayank Arora & Co.,**  
**Company Secretaries**

**Mayank Arora**  
**Proprietor**  
**Membership No.: F10378**  
**COP No.: 13609**

**Place: Mumbai**  
**Date: 20/07/2022**  
**UDIN number: F010378D000659763**

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Board of Directors  
**FINKURVE FINANCIAL SERVICES LIMITED**  
202/A,02nd Floor,Trade World,  
D-Wing,Kamala Mills Compound,  
S. B. Marg, Lower Parel West  
Mumbai - 400013

I have examined all the relevant records of **FINKURVE FINANCIAL SERVICES LIMITED** ('the Company') for the purpose of certifying compliance with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 of Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the financial year ended March 31, 2022.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation process adopted by the Company for ensuring compliance with the conditions of Corporate Governance. This certificate is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the said Listing Regulations except to the following:

- a. Pursuant to Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015 the number of Directors were less than six from 1<sup>st</sup> April 2021 till 17<sup>th</sup> May 2021. The Company was in constant search for the prospective candidate for the position of Independent Director during such period and the Company was able to appoint the Director on 17<sup>th</sup> May, 2021.

Further, due to the resignation of one of the Independent Director w.e.f. 9<sup>th</sup> March 2022, the Board of the Company comprised of less than six Directors as on 31st March, 2022, however, the Company appointed Mr. Dharmesh Lalitkumar Trivedi as a Non-Executive - Independent Director w.e.f. 7th June 2022 by which the said vacancy was filled.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Mayank Arora & Co.,  
Company Secretaries  
(ICSI Unique Code S2014MH267200)**

**Mayank Arora  
(Proprietor)  
C.P. No.: 13609  
M. No.: F10378  
PR No. 679/2020  
UDIN: F010378D000659721**

**Date: 20/07/2022  
Place: Mumbai**

Annexure IV  
**Secretarial Audit Report**  
**FORM NO. MR-3**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

To,  
**THE MEMBERS,**  
**FINKURVE FINANCIAL SERVICES LIMITED**  
202/A, 02nd Floor, Trade World,  
D-Wing, Kamala Mills Compound,  
S. B. Marg, Lower Parel West,  
Mumbai – 400 013

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **FINKURVE FINANCIAL SERVICES 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 my verification of the Company’s Books, Papers, Minutes 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, I hereby report that in my opinion, the Company has, during the financial year ended 31<sup>st</sup> March, 2022, generally complied with the statutory provisions 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 M/s. **FINKURVE FINANCIAL SERVICES LIMITED** (“the Company”) for the financial year ended on 31<sup>st</sup> March, 2022, 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 Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Reserve Bank of India Act, 1934;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment; (not applicable to the Company during the Audit period);

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 (not applicable to the Company during the Audit period) and
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(not applicable to the Company during the Audit period);

(vii) Other Laws applicable to the Company as per the representations made by the Company are listed in **Annexure I** and forms an integral part of this report.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts we have relied on the Reports given by the Statutory Auditors of the Company.

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India; and
- b. The (Listing Obligation and Disclosure Requirements) Regulations, 2015

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following Observations:

1. Pursuant to Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015 the number of Directors were less than six from 1<sup>st</sup> April 2021 till 17<sup>th</sup> May 2021. The Company was in constant search for the prospective candidate for the position of Independent Director

during such period and the Company was able to appoint the Director on only on 17<sup>th</sup> May, 2021.

Further, due to the resignation of one of the Independent Director w.e.f. 9<sup>th</sup> March 2022, the Board of the Company as on 31<sup>st</sup> March, 2022 comprises of less than six Directors. However, the Company filled the said position on 7<sup>th</sup> June, 2022

2. Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015, Mr. Rakesh Mehta (Independent Director) resigned w.e.f. 9<sup>th</sup> March 2022, however, the Company made disclosure to the Stock Exchange on 30<sup>th</sup> March 2022 after accepting the resignation letter in the Board Meeting held on 30<sup>th</sup> March, 2022.
3. Pursuant to the provision of the Companies Act, 2013, there were some discrepancies found in the Annual Report for FY 2020-21, however, Management of the Company confirmed us that they will be careful in future.

**Note:** Further we report that BSE Ltd. has sought clarification from the Company on 25<sup>th</sup> May, 2021 with reference to the significant movement in price of the shares of the Company. In this regard, the Company has given a justified explanation vide its letter dated 25<sup>th</sup> May, 2021.

**We further report that:**

The Board of Directors of the Company was not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors for the period starting from 09<sup>th</sup> March, 2022 to 07<sup>th</sup> June, 2022 due to the resignation of Mr. Rakesh Mehta (Independent Director) The Company appointed Mr. Dharmesh Lalitkumar Trivedi as Non-Executive - Independent Director w.e.f. 7<sup>th</sup> June 2022.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

Majority decision is carried through while the dissenting Members' views, if any, are captured and recorded as part of the minutes.

We further report that there are 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.



This report is to be read with my letter of even date which is annexed as **Annexure II** and form an integral part of this report.

**For Mayank Arora & Co.  
Company Secretaries**

**SD/-**

**Date: 20/07/2022  
Place: Mumbai  
UDIN: F010378D000659807**

**Mayank Arora  
Proprietor  
C.P. No. 13609  
PR No: 679/2020**

## Annexure I

### Other Laws applicable to the Company

#### **(A) Commercial Laws**

- (i) Indian Contract Act
- (ii) Limitation Act
- (iii) Arbitration and Conciliation Act
- (iv) Negotiable Instruments Act
- (v) Information Technology Act
- (vi) The Competition Act

#### **(B) Others**

- a) Shops & Establishments Act
- b) Bombay/Indian Stamp Act
- c) Registration Act

## Annexure II

To,  
**THE MEMBERS,**  
**FINKURVE FIANCIAL SERVICES LIMITED**  
202/A, 2nd Floor, Trade World,  
D-Wing, Kamala Mills Compound,  
S. B. Marg, Lower Parel West  
Mumbai - 400013

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

1. Maintenance of secretarial record is the responsibility of the 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 provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. We have reported, in our audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in our opinion, are material and having major bearing on financials of the Company.

**Date: 20/07/2022**  
**Place: Mumbai**  
**UDIN: F010378D000659807**

**For Mayank Arora & Co.**  
**Company Secretaries**  
**SD/-**  
**Mayank Arora**  
**Proprietor**  
**C.P. No. 13609**  
**PR No: 679/2020**

**Annexure V**

**Form AOC-1**

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

**Statement containing salient features of the financial statement of subsidiaries/ associate companies**

**Part “A”: Subsidiaries**

**(Information in respect of each subsidiary presented with amounts in Rs.)**

<b>Sr No</b>	<b>Particulars</b>	<b>Arvog Forex Private Limited (Formerly known as Supama Forex Private Limited)</b>
1	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	*From 01/04/2021 to 10/02/2022
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR
3	Share Capital	8,75,00,000
4	Reserves & Surplus	2,66,98,859
5	Total assets	18,64,73,528
6	Total Liabilities	7,22,74,669
7	Investments	1,54,563
8	Turnover	14,41,65,838
9	Profit/ (Loss) before taxation	(1,12,65,387)
10	Provision for taxation	4,79,306
11	Profit/ (Loss) after taxation	(1,17, 44,963)
12	Proposed Dividend	NIL
13	% of shareholding	100

\* As on the beginning of the Financial Year, the Company had one Material Subsidiary, i.e., Arvog Forex Private Limited. However, after obtaining the approval of the Members of the Company through a Special Resolution in the 37<sup>th</sup> Annual General Meeting of the Company convened on 20<sup>th</sup> September, 2021, the Company completed sale of 8,75,000 (Eight Lakhs and Seventy Five Thousand) Equity Shares i.e entire shareholding held by the Company in the material subsidiary on 10<sup>th</sup> February, 2022 resulting into Arvog Forex Private Limited ceasing to be subsidiary of the Company.

## Annexure VI

### The Annual Report on CSR Activities for Financial Year ended 31<sup>st</sup> March, 2022

1. Brief outline on CSR Policy of the Company.

“CIVILIZATION” in true sense means coming and working together for each other with the idea of benefiting the other. However, to keep pace with the changing environment the “civilization” seems to lose its true meaning. One should realize that the synergy is gained by coming together and not by staying isolated. The organizations must understand the need of the hour that the Government cannot alone uplift the society as a whole and thus every organization must extend their hands for this noble cause.

The organization functions in the society, it is a part of it and it receives resources, man power, revenue, etc. from the society and it inherently becomes the responsibility of the organization to return to the society by giving what the society wants so that it can become a better place for the entire human race.

CSR is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of Finkurve Financial Services Limited to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

2. Composition of CSR Committee:

S. N.	Name of Director	Designation	Number of meetings of CSR Committee attended during the year
1.	Mr. Ketan Kothari	Chairman, Non-Executive Director	1 of 1
2.	Mr. Nishant Ranka	Member, Independent Director	1 of 1
3.	Mr. Riddhi Tilwani	Member, Independent Director	1 of 1

During the year under review, the CSR committee met once on 30<sup>th</sup> June, 2021

3. Composition of CSR committee, CSR Policy and CSR projects are disclosed on the website of the Company:

[www.arvog.com](http://www.arvog.com)

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014: Not applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year: Nil
6. Average net profit of the Company as per section 135(5) Rs. 401.16 Lacs
7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 8.023 Lacs
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (c) Amount required to be set off for the financial year: Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 8.023 Lacs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 8.023 Lacs	Not Applicable		Not Applicable	Not Applicable	Not Applicable

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

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

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.
				State.	District.			Name.
1.	COVID-19 Care Centres	Healthcare (i)	Yes	Mumbai		10,74,400	Yes	Not Applicable
	<b>Total</b>					<b>10,74,400</b>		

- (d) Amount spent in Administrative Overheads: Nil
- (e) Amount spent on Impact Assessment, if applicable: Nil
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 10,74,400
- (g) Excess amount for set off, if any: Rs.2,72,089/-

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

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

The Company has made efforts to contribute to socially useful projects through various agencies. The Company was required to spend an amount of Rs. 8,02,311/- during the year towards CSR activities and has successfully spent Rs. 10,71,000/- towards healthcare services. In accordance with the provisions of Section 135(5) of the Companies Act, 2013, the Company shall be entitled to claim set-off of the amount spent in excess i.e. Rs. 2,68,689/-, of what is required under Section 135(5) for succeeding three Financial Years.

**Sd/-**  
**Mr. Ketan Kothari**  
**Chairman CSR Committee**

**Date: 08<sup>th</sup> August, 2022**

## Annexure VII

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of the Company is pleased to present this Management Discussion and Analysis Report in compliance with Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

#### 1. INDUSTRY STRUCTURE AND DEVELOPMENT:

The effects of Covid-19 brought a huge slump to the NBFC industry in the previous fiscal year. While every sector in our country was impacted by the lockdown, the cascading effect of the downturn in cashflows was likely to have had a more pronounced impact on the financial services industry. Despite the raging Coronavirus pandemic, the Non-Banking Financial Companies (NBFCs) showed a lot of resilience in 2021 and are expected to witness continued momentum in growth in the New Year of 2022 also. This industry would have seen a significant spurt in delinquencies and non-performing assets and the resultant provisions would have eroded the capital base of a large number of banks and financial institutions.

As stated, most sectors witnessed significant downturn in cashflows which severely impacted borrower's ability to make payments of their EMI dues. Against this backdrop, the moratorium was a necessity without which there would have been a complete breakdown of the financial ecosystem. Not only did it help the borrowers recoup their cashflows and then make payments on their debt, but also allowed a breather to the entire financial system by giving the benefit of asset classification standstill for the moratorium period.

Every bank and NBFC came out with their Board approved moratorium policies and norms which helped them tide over the COVID crisis during the first quarter / half of the current financial year. With gradual easing of lockdown restrictions, there was an improvement in borrower cashflows and the situation returned to reasonable levels of normalcy in the second half of the year for most of the financial institutions.

#### 2. OPPORTUNITIES AND THREATS:

Due to the outbreak of COVID-19 pandemic all over the world, the Indian economy has suffered and the opportunities have become limited in all spheres of businesses. The financial market has suffered a lot and the business for NBFCs has further reduced. This did not discourage the Board of directors of your Company who are constantly looking for an opportunity to expand the business of the Company. Your Company being in the financial services sector is facing a very stiff competition from public sector as well as private sector banks and financial institutions. It is trying to cope up with the same and as an effort towards expansion of business, your Company is exploring different loan products and is trying to set its foot in the consumer / retail loan market.



**3. SEGMENT-WISE OR PRODUCT WISE PERFORMANCE:**

The Company operates in only single segment. Hence segment wise performance is not applicable.

**4. OUTLOOK AND FUTURE PROSPECTS:**

The Competition continues to be intense, as the Indian and foreign banks have entered the retail lending business in a big way, thereby exerting pressure on margins. The erstwhile providers of funds have now become competitors. The NBFCs can sustain in this competitive environment only through optimization of funding costs, identification of potential business areas, widening geographical reach, and use of technology, cost efficiencies, strict credit monitoring and raising the level of customer service.

**5. RISKS & CONCERNS:**

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. The effective risk management is therefore critical to an organization's success. The globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organizations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management. The timely and effective risk management is of prime importance to our continued success. The increased competition and market volatility has enhanced the importance of risk management.

**6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The established Internal Control Systems of your Company are adequate to ensure that all the activities are monitored and controlled against any misuse or misappropriation of asset and that the transactions are authorized, recorded and reported correctly. More so, these internal control systems are regularly monitored by the Audit Committee of your Company and are improved upon on regular basis.

**7. HUMAN RESOURCES:**

The Company regards its employees as valuable asset and continuously reviews and evolves policies and procedures to attract and retain its pool of technical and managerial personnel through a conducive work environment.

**8. CAUTIONARY STATEMENT:**

The Management Discussion and Analysis Report may contain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. The actual results may differ materially from those expressed in the statement as important factors could influence the Company's operations such as government policies, local, political and economic development, risk inherent to the Company's growth and such other factors.

**9. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The Financial as well as Operational performance of the Company has increased considerably during FY 2021-22 as compared to the FY 2020-21 due to availability of working capital.

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: 08<sup>th</sup> August, 2022**

**Sd/-**  
**Ketan Kothari**  
**Chairman**  
**DIN: 00230725**

## MD/ CFO CERTIFICATION

**To,  
The Board of Directors,  
Finkurve Financial Services Limited**

We, the undersigned, in our respective capacities as the Executive Director and Chief Financial Officer of Finkurve Financial Services Limited (“the Company”), to the best of our knowledge and belief, hereby certify that:

(a) We have reviewed financial statements and the Cash Flow statement for the year ended 31st March, 2022 and based on our knowledge and belief, state that:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and for evaluating the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies

(d) We have indicated to the Auditors and the Audit Committee that:

(i) there has been no significant changes in internal control over financial reporting during the year under reference;

(ii) there has not been any significant changes in accounting policies during the year which need to be disclosed in the notes to the financial statements; and

(iii) We are not aware of any material instances of significant fraud during the year and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors**

**Sd/-  
Narendra Jain  
Executive Director**

**Sd/-  
Aakash Jain  
Chief Financial Officer**

## DECLARATION

### DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT PURSUANT TO SCHEDULE V(D) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

To,  
The Members,

I, **Narendra Jain**, Executive Director of the Company, do hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct adopted by the Board of Directors and Senior Management of the Company. The same has been made available on the website of the Company i.e., [www.arvog.com](http://www.arvog.com).

**For and on behalf of the Board of Directors**

Place: Mumbai  
Date: 08<sup>th</sup> August, 2022

Sd/-  
**Narendra Jain**  
Executive Director  
DIN: 08788557

### DISCLOSURE UNDER PARA F OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015

To,  
The Members,  
Finkurve Financial Services Limited

In accordance with Para F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we hereby confirm that, there are no shares in the Demat Suspense Account or Unclaimed Suspense Account.

**For and on behalf of the Board of Directors**

Place: Mumbai  
Date: 08<sup>th</sup> August, 2022

Sd/-  
**Narendra Jain**  
Executive Director  
DIN: 08788557

## INDEPENDENT AUDITOR'S REPORT

To The Members of  
**Finkurve Financial Services Limited**

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **Finkurve Financial Services Limited** ("the Company"), which comprises of standalone Balance Sheet as at 31 March 2022, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flow for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, its profits (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

### **Information Other than the Standalone Financial Statements and Auditor's report thereon**

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Company's annual report but does not include the standalone financial statement and our auditor's report thereon which we obtained prior to the date of this auditor's report, and Annual Report, which is expected to be made available to us after that date.

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

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

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

### **Responsibilities of Management and those charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. [A] As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
  - (c) The Standalone Balance sheet, the Standalone Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) On the basis of the written representation received from the directors as on March 31, 2022 taken on records by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a Director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".



- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act:

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

[B] With respect to the matters to be included in the Auditor's report in accordance with the 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, we report that:

- i. There were no pending litigations which would impact the financial position of the Company (refer note no 28 of the financial statements).
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe

that the representations under subclause (i) and (ii) of Rule 11(e), as provided under [B] (iv) (a) and (b) above, contain any material misstatement.

- v. The Board of Directors of the Company have not proposed dividend for the current year and in the previous year.

**For P. D. Saraf & Co.**  
Chartered Accountants  
(Firm Registration No. 109241W)

**(N. L. Maheshwari)**  
Partner  
M. No. F-11347  
UDIN: 22011347AJZDXL6695  
Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**Annexure A to Independent Auditor's Report**

Referred to as Annexure 'A' in paragraph (1) of Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of **Finkurve Financial Services Limited** on the standalone financial statement for the year ended on 31<sup>st</sup> March, 2022, we report that :

- (i) (a)(A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE") and relevant details of right-of-use assets.
  - (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The PPE have been physically verified by the management during the year under a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) The company does not have immovable property hence; verification of title deed of any such immovable properties is not applicable.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) and intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988 as amended in 2016) and rules made thereunder.
- (ii) (a) The Company is in the business of providing loans and does not have any physical inventory hence; the provisions of the clause 3(ii)(a) of the Order is not applicable to it.
  - (b) According to the information and explanations given to us, during the year, the Company has not been sanctioned working capital limit in excess of Rs. 5 Crores by any bank or financial institutions on the security of current assets.
- (iii) (a) The Company's principal business activity is to give loan hence, clause 3(iii)(a) of the Order is not applicable to it.
  - (b) The Company, being a Non-Systematically Important, Non-Deposit Taking Non-Banking Financial Company ('NBFC') is registered under the provisions of Reserve Bank of India

Act, 1934. In our opinion and according to the information and explanations given to us, the Company have not provided any guarantee or given any security during the year. Further, investments made and the terms and conditions of the grant of all loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the Company's interest.

- (c) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal, except in the cases of loans repayable on demand, and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in the course of its periodic regulatory reporting. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
- (d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. The gross amount of amount overdue over 90 days as at 31 March 2022 is Rs. 2,195.37 Lakhs and after providing for provisions in accordance with the provisions and rules as stated, net amount of such overdue loans is Rs. 1,511.39 lakhs. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
- (e) Since the Company's principal business is to give loans, the provision of clause 3(iii)(e) of the Order is not applicable to it.
- (f) The Company being a NBFC, during the course of its business activity of granting of loans, has granted loans or advances in the nature of loans that are either repayable on demand or without specifying any terms or period of repayment. The aggregate amounts of total loan or advances in the nature of loans, loan or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to promoters, related parties and other parties are as under:

Sr. No.	Particulars	Amount (INR in Lakhs)	% of Total Loans
A.	Total Loans or advances in the nature of loans (gross amount) (refer note no 3 of standalone financial statement)	18,094.11	-
B.	Total Loans or advances in the nature of loans which are	7,529.79	41.61%

	either repayable on demand or without specifying any terms or period of repayment (gross amount)		
C.	Loans to Promoters out of B above	Nil	-
D.	Loans to Related Parties out of B above	4,212.44	23.28%
E.	Loans to Other Parties out of B above	3,317.35	18.33%

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. In our opinion and according to the information and explanations given to us, the company have not provided any guarantee or given security during the year.
- (v) In our opinion and according to the information given to us, the company has not accepted deposits and hence, compliance with the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under with regard to the deposits accepted is not applicable.
- (vi) According to the information and explanation given to us, the central government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Act for the business activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) In our opinion, the company is regular in depositing applicable undisputed statutory dues relating to amounts deducted/accrued in the books of account in respect of statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, service tax, cess and any other material statutory dues, as applicable to it with the appropriate authorities during the year.
- According to information and explanation given to us, no any undisputed amounts of such taxes were in arrears as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable. The provisions relating to duty of custom, duty of excise, value added tax and sales tax are not applicable to the Company.
- (b) According to the information and explanation given to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income tax, service tax, cess which have not been deposited with appropriate authority on account of any dispute. The provisions relating to duty of custom, duty of excise, value added tax and sales tax are not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or

disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the Standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any joint ventures or associates.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any joint ventures or associates.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (3)(x)(a) of the Order is not applicable.
- (b) The Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year under review and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year by the Statutory Auditors and upto the date of this report.

- (c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company; hence clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business. The Company needs to enhance the coverage / scope of the internal audit in certain areas.
- (b) We have taken into consideration, the reports of the Internal Auditors received by the Company during the year and provided to us while determining the nature, timing and extent of audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with its directors or the persons connected with them hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is required to be registered as NBFC under section 45-IA of the Reserve Bank of India Act 1934 and it has obtained certificate of registration dated 9<sup>th</sup> March, 1998.
- (b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. The Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.
- (c) The Company is not a Core Investment Company (CIC) and hence reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) As per information provided to us in course of our audit, the Group (as defined under Master Direction DNBR.PD.008/03.10.119/2016-17 - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company

(Reserve Bank) Directions, 2016) to which the Company belongs does not have CIC 's as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, the company has transferred unspent Corporate Social Responsibility (CSR) amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.  
  
(b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no ongoing CSR project undertaken by the Company hence clause 3(xx)(b) of the Order is not applicable to it.

**For P. D. Saraf & Co.**  
Chartered Accountants  
(Firm Registration No. 109241W)

**(N. L. Maheshwari)**  
Partner  
M. No. F-11347  
UDIN: 22011347AJZDXL6695  
Place: Mumbai  
Date: 30<sup>th</sup> May, 2022



### **Annexure B to Independent Auditor's Report**

Referred to as Annexure 'B' in paragraph 2[A](f) of Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of **Finkurve Financial Services Limited** on the standalone financial statement for the year ended on 31<sup>st</sup> March, 2022.

#### **Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. We have audited the internal financial controls over with reference to standalone financial statements of **Finkurve Financial Services Limited** ("the Company") as on 31<sup>st</sup> March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. 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 ("the Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

3. 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 and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with the 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.
4. 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 standalone financial statements, whether due to fraud or error.

5. 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**

6. 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

7. 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**

8. In our opinion, to the best of our information and according to the explanations given to us, 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 31 March 2022, based on the criteria for internal financial control over financial reporting 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 P. D. Saraf & Co.**  
Chartered Accountants  
(Firm Registration No. 109241W)

**(N. L. Maheshwari)**  
Partner  
M. No. F-11347  
UDIN: 22011347AJZDXL6695  
Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**FINKURVE FINANCIAL SERVICES LIMITED**
**Balance Sheet as at 31 March 2022**

(All amounts in INR in Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
<b>I. ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	2	263.11	194.44
(b) Loans	3	17,320.08	19,703.98
(c) Investments	4	508.50	1,258.33
(d) Other financial assets	5	197.02	38.65
<b>Total financial assets</b>		<b>18,288.71</b>	<b>21,195.40</b>
<b>(2) Non Financial Assets</b>			
(a) Current tax assets (net)	6	75.49	41.67
(b) Deferred tax assets (net)	25 (c)	147.03	156.47
(c) Property, plant and equipment	7	38.08	5.84
(d) Right of use assets	31	22.51	33.48
(e) Other intangible assets	8	1.65	4.48
(f) Other non financial assets	9	41.62	39.38
<b>Total non-financial assets</b>		<b>326.37</b>	<b>281.31</b>
<b>TOTAL ASSETS</b>		<b>18,615.09</b>	<b>21,476.72</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>(1) Financial liabilities</b>			
(a) Payables			
(i) Trade payables	10		
(i) Total outstanding dues of micro enterprises and small enterprises		9.19	9.16
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		141.86	25.55
(b) Borrowings (Other than debts securities)	11	2,368.71	7,575.10
(c) Lease liabilities	31	32.92	47.65
(d) Other financial liabilities	12	180.22	57.85
<b>Total financial liabilities</b>		<b>2,732.89</b>	<b>7,715.30</b>
<b>(2) Non financial liabilities</b>			
(a) Current tax liabilities (net)	13	-	110.50
(b) Provisions	14	11.13	4.47
(c) Other non-financial liabilities	15	66.23	51.83
<b>Total non financial liabilities</b>		<b>77.35</b>	<b>166.81</b>
<b>Total liabilities</b>		<b>2,810.24</b>	<b>7,882.11</b>
<b>(3) Equity</b>			
(a) Equity share capital	16	1,268.58	1,268.58
(b) Other equity	17	14,536.26	12,326.02
<b>Total equity</b>		<b>15,804.84</b>	<b>13,594.61</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>18,615.09</b>	<b>21,476.72</b>

Significant accounting policies and other explanatory information

1 - 62

As per our report of even date attached

For P. D. Saraf &amp; Co

Chartered Accountants

Firm Registration No : 109241W

Sd/-

**N. L. Maheshwari**

Partner

Membership No.: F - 11347

Place: Mumbai

Date: 30th May 2022

 For and on behalf of the Board of Directors  
of Finkurve Financial Services Limited

Sd/-

**Ketan Kothari**

Director

DIN: 00230725

Sd/-

**Aakash Jain**

Chief Financial

Officer

Sd/-

**Narendra Jain**

Director

DIN: 08788557

Sd/-

**Sunny Parekh**

Company Secretary

M.No. ACS32611

**FINKURVE FINANCIAL SERVICES LIMITED**  
**Statement of Profit & Loss for the year ended 31 March 2022**  
**(All amounts in INR in Lakhs, unless otherwise stated)**

Particulars	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
<b>Revenue from operations</b>	18		
(i) Interest income on financial assets measured at amortised cost		1,902.73	1,955.56
(iii) Fees and commission income		361.23	-
(iv) Net gain on fair value change		4.11	87.71
(v) Net gain on sale of Investments in subsidiary carried at cost		2,095.22	-
<b>(I) Total Revenue from operations</b>		<b>4,363.29</b>	<b>2,043.27</b>
(II) Other income	19	1.73	2.21
<b>(III) Total income (I + II)</b>		<b>4,365.02</b>	<b>2,045.48</b>
<b>Expenses:</b>			
(i) Finance costs	20	331.38	683.65
(ii) Fees and commission expenses		595.86	40.52
(iii) Net loss on fair value changes	21	38.62	-
(iv) Impairment on financial instruments	22	186.58	443.37
(v) Employee benefits expenses	23	233.47	126.72
(vi) Depreciation, amortisation and impairment	24	28.78	19.53
(vii) Other expenses	25	244.62	123.57
<b>(IV) Total expenses</b>		<b>1,659.32</b>	<b>1,437.37</b>
<b>(V) Profit before exceptional items and tax (III - IV)</b>		<b>2,705.70</b>	<b>608.11</b>
<b>(VI) Exceptional items</b>		-	-
<b>(VII) Profit before tax (V - VI)</b>		<b>2,705.70</b>	<b>608.11</b>
<b>(VIII) Tax expense</b>	26		
(i) Current tax		533.00	250.00
(ii) Deferred tax		10.13	(92.59)
(iii) Tax adjustment for earlier years		1.69	(0.07)
		<b>544.82</b>	<b>157.34</b>
<b>(IX) Profit for the year (VII - VIII)</b>		<b>2,160.88</b>	<b>450.78</b>
<b>(X) Other comprehensive income</b>			
A. Items that will not be reclassified to profit or loss - Income / (Expenses)			
(i) Remeasurement of the defined benefit plans		(2.73)	-
(ii) Income tax on remeasurement of the defined benefit plans		0.69	-
<b>other comprehensive income for the year</b>		<b>(2.05)</b>	<b>-</b>
<b>(XI) Total comprehensive income for the year (IX + X)</b>		<b>2,158.84</b>	<b>450.78</b>
<b>(XII) Earnings per equity share : (Face value of INR 1 per equity share)</b>	27		
Basic (INR)		1.70	0.36
Diluted (INR)		1.70	0.36

**Significant accounting policies and other explanatory information**
**1 - 62**
**As per our report of even date attached**

Firm Registration No : 109241W

Chartered Accountants

 Sd/-  
**N. L. Maheshwari**  
 Partner  
 Membership No.: F - 11347

 Place: Mumbai  
 Date: 30th May 2022

**For and on behalf of the Board of Directors  
 of Finkurve Financial Services Limited**

 Sd/-  
**Ketan Kothari**  
 Director  
 DIN: 00230725

 Sd/-  
**Narendra Jain**  
 Director  
 DIN: 08788557

 Sd/-  
**Aakash Jain**  
 Chief Financial  
 Officer

 Sd/-  
**Sunny Parekh**  
 Company Secretary  
 M.No. ACS32611



**Statement for cash flow for the year ended 31 March 2022**  
**(All amounts in INR in Lakhs, unless otherwise stated)**

	Year ended 31 March 2022	Year ended 31 March 2021
<b>A. Cash flow from operating activities</b>		
Net Profit before tax	2,705.70	608.11
<b>Adjustments for:</b>		
Depreciation	16.55	4.64
Amortisation of Right of Use	12.23	14.90
Share based payments to employees	51.40	-
Bad Debts	-	7.25
Gratuity to employees	3.92	4.47
Finance cost - borrowings	326.31	675.03
Interest on lease liabilities	5.07	8.63
Expected credit loss	186.58	443.37
Fair value of Financial assets - Investments (unrealised)	38.62	(76.33)
Fair value of Financial assets - Investments (realised)	(4.11)	(11.38)
Profit on sale of Investments in subsidiary carried at cost	(2,095.22)	-
Unwinding of Interest on security deposit	(0.46)	(0.14)
Share of Loss from LLP	-	9.10
Interest on income tax refunds	-	(2.07)
<b>Operating profit before working capital changes</b>	<b>1,246.59</b>	<b>1,685.58</b>
<b>Adjustments for:</b>		
Decrease/(Increase) in Loans given	2,197.31	(884.00)
Decrease/(Increase) in trade receivable	-	49.78
Decrease/(Increase) in other financial assets	(157.91)	(23.16)
Decrease/(Increase) in other non financial assets	(2.24)	(25.69)
Increase/(Decrease) in payables	116.34	23.11
Increase/(Decrease) in other financial Liabilities	122.37	-
Increase/(Decrease) in other non financial Liabilities	14.40	3.04
<b>Cash generated from operations</b>	<b>3,536.86</b>	<b>828.65</b>
Direct Taxes paid (net of refunds)	(679.01)	(180.31)
<b>Net Cash generated from/ (used in) operating activities (A)</b>	<b>2,857.85</b>	<b>648.34</b>
<b>B. Cash flow from investment activities</b>		
Purchase of Investments	(2,021.57)	(1,117.53)
Proceeds from sale of Investments	4,832.11	1,006.94
Purchase of property, plants and equipments	(45.97)	(8.18)
<b>Net cash generated from / (used in) investment activities (B)</b>	<b>2,764.58</b>	<b>(118.77)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds/(Repayment) from/of borrowings (other than debts securities) (Net)	(5,206.39)	296.40
Payment of lease liabilities	(21.05)	(10.97)
Interest Paid on Borrowings	(326.31)	(675.03)
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>(5,553.76)</b>	<b>(389.60)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>68.67</b>	<b>139.97</b>
Cash and cash equivalents at beginning of the year	194.44	54.47
<b>Cash and cash equivalents at end of the year</b>	<b>263.11</b>	<b>194.44</b>
<b>Components of cash and cash equivalents</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>Cash and cash equivalents at the end of the year</b>		
i) Cash on hand	1.27	1.22
ii) Balances with banks (of the nature of cash and cash equivalents)	261.85	193.22
	<b>263.11</b>	<b>194.44</b>

**Significant accounting policies and other explanatory information**
**1 - 62**
**Notes:**

- The above Statement of Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.
- During the year, the Company has incurred an amount of Rs. 10,74,400 in cash (31 March 2021: Rs. 6,20,000) towards corporate social responsibility (CSR) expenditure (Refer note 28).

**As per our report of even date attached**

For P. D. Saraf & Co  
Chartered Accountants  
Firm Registration No : 109241W

Sd/-  
N. L. Maheshwari  
Partner  
Membership No.: F - 11347

Place: Mumbai  
Date: 30th May 2022

For and on behalf of the Board of Directors  
of Finkurve Financial Services Limited

Sd/-  
Ketan Kothari  
Director  
DIN: 00230725

Sd/-  
Aakash Jain  
Chief Financial  
Officer

Sd/-  
Narendra Jain  
Director  
DIN: 08788557

Sd/-  
Sunny Parekh  
Company Secretary  
M.No. ACS32611

**FINKURVE FINANCIAL SERVICES LIMITED**
**Statements of changes in equity for the year ended 31 March 2022**

(All amounts in INR in Lakhs, unless otherwise stated)

**A. Equity share capital**
**1) Current reporting period**

Balance at the beginning of the current reporting period As at 31 March 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at 31 March 2022
1,268.58	-	1,268.58	-	1,268.58

**2) Previous reporting period**

Balance at the beginning of the previous reporting period As at 31 March 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period As at 31 March 2021
1,268.58	-	1,268.58	-	1,268.58

**B. Other Equity**
**1) Current reporting period**

Particulars	Reserves and Surplus					Other Comprehensive income	Total
	Securities premium	General reserve	Statutory reserve as per section 45-IC of the RBI Act, 1934	Retained Earning	Share Based Payment Reserve		
Balance at the beginning of the current reporting period (as at 31 March 2021)	11,092.78	0.78	254.30	978.16	-	-	12,326.02
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	11,092.78	0.78	254.30	978.16	-	-	12,326.02
Profit for the year	-	-	-	2,160.88	-	-	2,160.88
Other comprehensive income for the year	-	-	-	-	-	(2.05)	(2.05)
<b>Total comprehensive income for the year</b>	-	-	-	2,160.88	-	(2.05)	2,158.84
Share Based Payment expenses	-	-	-	-	51.40	-	51.40
Transfer to statutory reserve	-	-	432.18	(432.18)	-	-	-
<b>Balance at the end of the current reporting period (as at 31 March 2022)</b>	<b>11,092.78</b>	<b>0.78</b>	<b>686.48</b>	<b>2,706.86</b>	<b>51.40</b>	<b>(2.05)</b>	<b>14,536.26</b>

**2) Previous reporting period**

Particulars	Reserves and Surplus					Other Comprehensive income	Total
	Securities premium	General reserve	Statutory reserve as per section 45-IC of the RBI Act, 1934	Retained Earning	Share Based Payment Reserve		
Balance at the beginning of the previous reporting period (as at 31 March 2020)	11,092.78	0.78	164.15	617.53	-	-	11,875.25
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	11,092.78	0.78	164.15	617.53	-	-	11,875.25
Profit for the year	-	-	-	450.78	-	-	450.78
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	450.78	-	-	450.78
Share Based Payment expenses	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	90.16	(90.16)	-	-	-
<b>Balance at the end of the previous reporting period (as at 31 March 2021)</b>	<b>11,092.78</b>	<b>0.78</b>	<b>254.30</b>	<b>978.16</b>	<b>-</b>	<b>-</b>	<b>12,326.02</b>

**Significant accounting policies and other explanatory information**

1 - 62

As per our report of even date attached

 For P. D. Saraf & Co  
 Chartered Accountants  
 Firm Registration No : 109241W

 Sd/-  
**N. L. Maheshwari**  
 Partner  
 Membership No.: F - 11347

 For and on behalf of the Board of Directors  
 of Finkurve Financial Services Limited

 Sd/-  
**Ketan Kothari**  
 Director  
 DIN: 00230725

 Sd/-  
**Narendra Jain**  
 Director  
 DIN: 08788557

 Sd/-  
**Aakash Jain**  
 Chief Financial  
 Officer

 Sd/-  
**Sunny Parekh**  
 Company Secretary  
 M.No. ACS32611

 Place: Mumbai  
 Date: 30th May 2022



**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**1 Corporate Information and Significant Accounting Policies****A Corporate Informations:**

Finkurve Financial Services Limited ('the Company'), formerly known as Sanjay Leasing Limited is public company domiciled in India and is incorporated under the provisions of Companies Act, 1956 in the year 1984. The company is registered as Non - Deposit Accepting Non - Banking Financial Company (NBFC) as defined under section 45-IA of the Reserve Bank of India Act, 1934 and was issued registration certificate by Reserve Bank of India on 9th March 1998. Since then, the company is carrying on the business activity of NBFC. The Equity shares of the company are listed on Bombay Stock Exchange Limited (BSE).

**B Summary of Significant Accounting Policies****(a) Statement of compliance and basis of preparation and presentation of financial statements**

These standalone or separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules as amended and notified under section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other provision of the Act.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Balance sheet and Statement of Profit & Loss are prepared and presented in accordance with the format prescribed in the Division III to Schedule III to the Act applicable for Non Banking Finance Companies (NBFC).

**(b) Functional and presentation currency**

The financial statements are presented in Indian Rupees [INR or Rs], the functional currency of the Company.

**(c) Basis of Measurement**

The financial statements of the Company are prepared on the accrual basis of accounting and historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

(i) Certain financial assets and liabilities are measured at Fair value (Refer note no. (h) and (l) below)

**(d) Use of Estimates and Judgements**

The preparation of the financial statements requires the Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

**Defined employee benefit assets and liabilities**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

**Fair value measurement**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



#### Share based payment transactions

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk free interest rate (based on government bonds).

#### Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipments, investments, receivables, and other financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. There is no material adverse impact of COVID - 19 pandemic on the Company and its operations/profitability during the financial year ended 31 March 2022 and also during the financial year ended 31 March 2021.

#### (e) Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure and subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

#### (f) Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as incurred.

#### (g) Depreciation and Amortisation

##### Tangible assets

Depreciation has been provided on Written Down Value basis and in accordance with, Method and useful life prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

##### Intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite-life intangible assets, the assessment of indefinite-life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

#### (h) Financial assets - Initial recognition:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments.

#### Initial Recognition and Measurement – Financial Assets and Financial Liabilities

All Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through



profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

#### **Classification and Subsequent Measurement: Financial Assets**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- (a) the entity’s business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

#### **Amortised Cost:**

A financial asset is classified and measured at amortised cost if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Fair Value Through Profit or Loss (FVTPL):**

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### **Equity Instruments:**

Investment in equity instruments are generally accounted for as at fair value through the statement of profit and loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income. Such classification is determined on an instrument-by-instrument basis. Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to statement of profit and loss.

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the ‘Other income’ line item.

#### **Impairment**

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Company’s Loans and trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognises impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12–months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.



### **De-recognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, 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.

## **(I) Financial Liabilities**

### **Initial Recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

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

### **Subsequent measurement**

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### **Loans & Borrowings:**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognised in profit & loss when the liabilities are derecognised as well as through EIR amortisation process.

#### **Financial Guarantee Contracts**

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

### **De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### **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.

## **(j) Fair Value Measurement**

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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



For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**(k) Cash & Cash Equivalents**

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

**(l) Foreign exchange transactions & translations**

**Initial Recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss of the year.

**Measurement of Foreign Currency Items at the Balance Sheet Date**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

**(m) Revenue Recognition:**

**Effective Interest rate method**

Interest income is recognised in Statement of profit & loss using effective interest rate method for all financial instruments at amortised cost, debt instrument measured at FVOCI and debt instrument designated at FVTPL. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

Calculation of effective interest includes transaction cost and fees that are an integral part of the contract. Transaction cost include incremental cost that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as positive or negative adjustment to the carrying amount of the asset, in the balance sheet, with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the Statement of profit and loss.

**Interest**

The Company calculates interest income related to financing business by applying the Effective Interest Rate Method (EIR) to the gross carrying amount of financial asset other than credit-impaired assets.

When a financial asset becomes credit- impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

**Subvention Income**

Subvention income received at the inception of the loan contracts which is directly attributable to individual loan contracts in respect of education loan is recognised in the Statement of profit and loss using the effective interest method over the tenor of such loan contracts measured at amortised cost.

**Fees and commission income**

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

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

**Dividend**

Dividend Income is recognised when right to receive the same is established and shown as part of investment and dividend income.

**Rental Income**

Rental Income is recognised in the statement of profit & loss as per contractual rentals unless another systematic basis is more representative of the time pattern.

### **Gain on sale of investment/Redemption of Mutual funds**

On disposal of an Investment, the difference between the carrying amount and net disposal proceeds is charged or credited to the profit and loss statement.

### **(n) Finance costs**

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortised cost. Financial instruments include bank borrowing, intercorporate loans, external commercial borrowing and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

Effective from 1 April 2019, on application of Ind AS 116 (Leases), interest expense on lease liabilities computed by applying the Company's weighted average incremental borrowing rate has been included under finance costs.

### **(o) Investment in subsidiaries**

Investments in equity shares of subsidiaries are recorded at cost and reviewed for impairment at each reporting date. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

### **(p) Taxes on Income**

Income tax comprises current and deferred tax. Income tax expense is recognised in the statement of profit and loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets are not recognised where it is more likely that the assets will not be realised in the future.

The carrying amount of deferred income 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 income tax asset to be utilised. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period 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 items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**(q) Borrowing Cost:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

**(r) Earnings per shares**

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

**(s) Securities issue expenses**

Expenses incurred in connection with fresh issue of Share capital are adjusted against Securities premium reserve.

**(t) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

**(u) Leases**

The Company's lease asset classes primarily consist of leases for building for offices. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (a) the contract involves the use of an identified asset
- (b) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (c) the Company has the right to direct the use of the asset.

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

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

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**(v) Employee Benefits:**

The Company has provided following post-employment plans:

- (a) Defined benefit plans such as gratuity and
- (b) Defined contribution plans such as Provident fund

**a) Defined-benefit plan:**

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

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

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

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

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial (gains)/losses
- (b) Return on plan assets, excluding amount recognised in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.



Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

**b) Defined-contribution plan:**

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

**c) Employee stock options :**

Equity-settled share-based payments to employees are recognised as an expense at the fair value of equity stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the graded vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Company revises its estimate of number of equity shares expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that cumulative expenses reflect the revision estimate, with a corresponding adjustments to the employee stock option reserve.

**(w) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in financial statements.

**(x) Goods and services tax input credit**

Goods and services tax input credit asset is recognised in the books of accounts in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits.

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or charged to revenue separately, as applicable. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**(y) Cash flow Statement**

Cash flows are reported under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Company.



**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**7. Property, plant and equipment**

Particulars	Motor Vehicles (*)	Computers	Furniture and Fixtures	Office Equipment	Total
<b>Gross block</b>					
Balance as at 31 March 2020	1.59	8.21	0.31	3.30	13.41
Additions	-	1.78	-	0.41	2.19
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>1.59</b>	<b>9.99</b>	<b>0.31</b>	<b>3.71</b>	<b>15.60</b>
Additions	43.27	2.70	-	-	45.97
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>44.86</b>	<b>12.69</b>	<b>0.31</b>	<b>3.71</b>	<b>61.57</b>
<b>Accumulated depreciation</b>					
Balance as at 31 March 2020	0.52	5.18	0.14	0.89	6.74
Charge for the year	0.28	2.26	0.04	0.44	3.03
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>0.80</b>	<b>7.44</b>	<b>0.18</b>	<b>1.34</b>	<b>9.76</b>
Charge for the year	10.68	2.59	0.03	0.43	13.73
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>11.48</b>	<b>10.03</b>	<b>0.21</b>	<b>1.77</b>	<b>23.49</b>
<b>Net carrying amount as at 31 March 2021</b>					
<b>Net carrying amount as at 31 March 2022</b>					

The Company has not revalued any of its property, plant and equipment during the years ended 31 March 2022 and 31 March 2021.

Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

(\*) Motor car purchased during the year is held in the name of director of the company.

**8. Other Intangible assets**

Particulars	Software
<b>Gross block</b>	
Balance as at 31 March 2020	0.42
Additions	5.99
Disposals	-
<b>Balance as at 31 March 2021</b>	<b>6.41</b>
Additions	-
Disposals	-
<b>Balance as at 31 March 2022</b>	<b>6.41</b>
<b>Accumulated depreciation</b>	
Balance as at 31 March 2020	0.33
Charge for the year	1.61
Disposals	-
<b>Balance as at 31 March 2021</b>	<b>1.93</b>
Charge for the year	2.83
Disposals	-
<b>Balance as at 31 March 2022</b>	<b>4.76</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>4.48</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>1.65</b>

The Company has not revalued any of its intangible assets during the years ended March 31, 2022 and March 31, 2021.

Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**2 Cash and cash equivalents**

	As at 31 March 2022	As at 31 March 2021
Cash on hand	1.27	1.22
Balances with banks (of the nature of cash and cash equivalents)	261.85	193.22
	<b>263.11</b>	<b>194.44</b>

**3 Loans (at amortised cost) :**

	As at 31 March 2022	As at 31 March 2021
<b>a) Loans repayable on demand</b>	3,317.35	4,417.70
Term Loans	10,564.32	3,063.36
Others- to related parties (refer note no. 32 and 52)	4,212.44	12,810.36
Total (Gross)	18,094.11	20,291.42
Less: Expected credit losses	(774.03)	(587.44)
<b>Total (net)</b>	<b>17,320.08</b>	<b>19,703.98</b>
<b>b) Secured by tangible assets</b>	10,707.06	5,358.55
Unsecured	7,387.05	14,932.86
Total (Gross)	18,094.11	20,291.42
Less: Expected credit losses	(774.03)	(587.44)
<b>Total (net)</b>	<b>17,320.08</b>	<b>19,703.98</b>
<b>c) Loans outside India</b>	-	-
<b>Loans in India</b>		
Public sector	-	-
Other		
Retail	7,435.67	952.89
Corporates	10,658.44	19,338.53
Total (Gross)	18,094.11	20,291.42
Less: Expected credit losses	(774.03)	(587.44)
<b>Total (net)</b>	<b>17,320.08</b>	<b>19,703.98</b>

	As at 31 March 2022	As at 31 March 2021
<b>Loss Allowance</b>		
Opening Balance	587.44	144.07
Add: Loss allowance recognised during the year	186.58	443.37
<b>Closing Balance</b>	<b>774.03</b>	<b>587.44</b>

Note: There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL

**4 Investments**

	As at 31 March 2022		As at 31 March 2021	
	Nos	Amount	Nos	Amount
<b>Equity Instruments, Quoted, fully paid up</b>				
Fair Valued through Profit & Loss				
Indian Oil Corporation Limited	10	0.01	25	0.02
NTPC Limited	25	0.03	25	0.03
		<b>0.05</b>		<b>0.05</b>
<b>Subsidiary</b>				
Equity shares, carried at cost (fully paid up)				
Unquoted				
Arvog Forex Private Limited (formerly known as Supama Forex Private Limited)	-	-	728,000	852.80
		<b>-</b>		<b>852.80</b>

**Others**

**Equity shares, unquoted, carried at fair value through Profit and Loss (fully paid up)**

SumHR Software Private Limited	1	0.10	1	0.00
Blu-Smart Mobility Private Limited (Formerly known as Gensol Mobility Private Limited)	2,439	26.84	2,439	3.86
Gajju Technologies Private Limited	212	146.07	212	208.26
Visionary Financepeer Private Limited	212	3.18	212	17.18
Bliss Dairy Fresh Private Limited	150,000	19.61	150,000	27.00
NetAmbit Valuefirst Services Private Limited	758	0.08	758	0.08
Elysium Labs Private Limited	36	-	36	10.00
Beauty By Bie Private Limited	27	25.00	-	-
Vyapaar Vistar Tech Private Limited	625	10.00	-	-
Credit Wise Capital Private Limited	69,348	15.00	-	-
Genius Learning Labs Private Limited	10	0.00	-	-
		<b>245.88</b>		<b>266.38</b>

**Preference shares (Unquoted, fully paid up)**

**[Carried at fair value through Profit & Loss]**

**Compulsory convertible preference shares (CCPS)**

0.001%, CCPS of Dhruva Space Private Limited of Rs 10/- each	55	10.03	55	10.03
0.001%, CCPS of Cleardekho Eyewear Private Limited of Rs 10/- each	597	25.01	597	4.24
15%, CCPS of Advetaya Business Consultant Private Limited of Rs 10/- each	12,852	-	12,852	2.92
0% CCPS of SumHR Software Private Limited of Rs 100/- each	208	19.89	208	0.74
0.001%, CCPS of Genius Learning Labs Private Limited of Rs. 100/- each	31	9.90	31	9.90
0.001%, CCPS of Flat White Capital Private Limited of Rs. 100/- each	177	40.08	177	40.08
0.001%, CCPS of Foxtort Beverages Private Limited of Rs. 10/- each	18	4.98	18	4.98
0.001%, CCPS of Lattu Media Private Limited of Rs. 1/- each	30	-	30	5.10
0.001%, CCPS of Blynk Marketing Private Limited of Rs. 100/- each	25,000	25.00	25,000	25.00
0.001%, CCPS of Blu Smart Mobility Pvt. Ltd. of Rs. 100/- each (Formerly known as Gensol Mobilty Pvt. Ltd.)	370	4.07	-	-
0.001% CCPS of Cocoslabs Innovative Solutions Private Limited of Rs. 100/- each	10,000	10.00	-	-
0.001% CCPS of Dviate Systems Private Limited of Rs. 100/- each	113	10.01	-	-
0.001% CCPS of Forbidden Foods Private Limited of Rs. 100/- each	1,143	5.00	-	-
0.001% CCPS of Indigenous Energy Storage Technologies Private Limited of Rs. 100/- each	50	7.59	-	-
		<b>171.58</b>		<b>103.00</b>

**Venture fund**

**[Carried at fair value through Profit & Loss]**

Equity Shares of Getvantage Tech Private Limited through VCats Management Services Trust III	334	-	334	-
		-		-

**Alternate Investment Fund (AIF)**

**[Carried at fair value through Profit & Loss]**

Dimension NXG Private Limited	-	20.00	-	-
		<b>20.00</b>		-

**Debentures**

**(Carried at fair value through Profit & Loss (fully paid up))**

**Compulsory convertible debentures (CCD)**

8% CCD of Fintech Products and Solutions (India) Private Limited of Rs. 10/- each	250,000	25.00	250,000	25.00
0.001% CCD of Homeville Consulting Private Limited of Rs. 10/- each	36	36.00	-	-
0.001% CCD of Dhruva Space Private Limited of Rs 10/- each	100,000	10.00	-	-
		<b>71.00</b>		<b>25.00</b>

**Mutual Funds - Quoted**

**Fair value through Profit & Loss**

DSP Ultra Short - Growth Fund	-	-	4.07	0.11
ICICI Pru Floating Interest Growth	-	-	3,389.21	10.99
			-	<b>11.10</b>
		<b>508.50</b>		<b>1,258.33</b>

**Gross Value of Investments :**

- in India		<b>508.50</b>		<b>1,258.33</b>
- outside India		-		-

Aggregate amount of quoted investments		<b>0.05</b>		<b>11.15</b>
Aggregate amount of unquoted investments		<b>508.45</b>		<b>1,247.18</b>
Aggregate amount of impairment in value of investments		-		-



**5 Other Financial Assets**

	As at 31 March 2022	As at 31 March 2021
Security Deposits	4.17	1.21
Loans to Staff	4.76	4.65
Accrued Interest on Loans	127.39	28.42
Other financial assets	60.71	4.37
	<b>197.02</b>	<b>38.65</b>

**6 Current tax assets (net)**

	As at 31 March 2022	As at 31 March 2021
Advance income tax [Net of provision for income tax Rs. 859.60 Lakhs (31 March 2021 Rs. 76.60 Lakhs)]	75.49	41.67
	<b>75.49</b>	<b>41.67</b>

**9 Other Non Financial Assets**

	As at 31 March 2022	As at 31 March 2021
Goods and Service Tax Credit (input) receivable	19.47	10.66
Prepaid expenses	3.30	14.02
Capital advance	18.82	7.49
Other non financial assets	0.03	7.22
	<b>41.62</b>	<b>39.38</b>

**10 Payables**

	As at 31 March 2022	As at 31 March 2021
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises *	9.19	9.16
- Total outstanding dues of creditors other than micro enterprises and small enterprises	141.86	25.55
	<b>151.05</b>	<b>34.71</b>

**Trade Payable ageing  
As at 31 March 2022**

Particulars	Not Due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	8.44	0.75	-	-	9.19
Others	-	141.54	0.17	0.16	-	141.86
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
<b>Total</b>	-	<b>149.98</b>	<b>0.91</b>	<b>0.16</b>	-	<b>151.05</b>

**As at 31 March 2021**

Particulars	Not Due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	9.16	-	-	-	9.16
Others	-	25.19	0.29	0.06	-	25.55
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
<b>Total</b>	-	<b>34.35</b>	<b>0.29</b>	<b>0.06</b>	-	<b>34.71</b>

**\* Disclosure under the Micro, Small and Medium Enterprises Development Act 2006**

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below :

Particulars	As at	As at
	31 March 2022	31 March 2021
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	9.19	9.15
ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
<b>11 Borrowings (other than debts securities)</b>		
<b>At amortised cost</b>		
<b>Secured</b>		
Term Loan		
- External commercial borrowing *	778.48	-
Loan repayable on demand from bank	439.97	-
	<b>1,218.45</b>	-
<b>Unsecured - from bodies corporates</b>		
Term Loan		
- from other than related parties	504.29	-
Loans repayable on demand		
- from related parties	134.90	5,580.22
- from other than related parties	511.07	1,994.88
	<b>1,150.26</b>	<b>7,575.10</b>
<b>Total</b>	<b>2,368.71</b>	<b>7,575.10</b>
<b>Borrowings</b>		
- in India	1,590.23	7,575.10
- outside India	778.48	-

There are no borrowings measured at FVTPL or designated at FVTPL.

The company have not defaulted in repayment of principal or interest to its lenders.

As per terms of Loan from bank, company is not required to file quarterly or monthly returns or statements.

The Company has utilised the funds raised from banks and other parties for the specific purpose for which they were borrowed.

**A. External Commercial Borrowings (ECB) - secured**

**As at 31 March 2022**

**Terms of repayment**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months	10.00%	The ECB is taken in Indian Rupees for a fixed tenure of 10 years and is Repayable after 10 years from the date of Loan i.e. 13th August 2021.	778.48
48-60 months			-
36-48 months			-
24-36 months			-
12-24 months			-
upto 12 months			-
<b>Total</b>			<b>778.48</b>

\* ECB-INR Loan converted into ECB-INR-NCD on and w.e.f. 19th May 2022 and includes Accrued Interest of Rs. 28.48 Lakhs.

**Nature of security**

Secured by way of hypothecation of books debts and receivables.

**As at 31 March 2021**

**Terms of repayment**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months	-	-	-
48-60 months	-	-	-
36-48 months	-	-	-
24-36 months	-	-	-
12-24 months	-	-	-
upto 12 months	-	-	-
<b>Total</b>			<b>-</b>

**B. Loan repayable on demand from bank - secured (Gold re-pledge Loan)**

**Terms of Loan From South Indian Bank:**

1. The company has taken the bank overdraft facility having Sanction limit of Rs. 500 lakhs (as at 31 march 2021 - Nil) and Current Outstanding of Rs. 439.97 Lakhs (as at 31 march 2021 - Nil).
2. Collateral Security : Repledge of gold ornaments pledged by Obligors
3. Rate of interest : Rate of interest is 10.50%

**C. Term Loan - from body corporates - unsecured  
- from other than related parties**
**As at 31 March 2022**
**Terms of repayment**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
More than 12 months			-
up to 12 months	12.00%	The tenure of loan is for 6 month and is repayable after 6 month from the date of loan i.e. 3rd March 2022.	504.29

**As at 31 March 2021**
**Terms of repayment**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
More than 12 months			-
up to 12 months			-

**D. Loans repayable on demand - from bodies corporates - unsecured**
**As at 31 March 2022**
**Terms of Loan**

Particulars	Rate of Interest	Amount
From related parties	10%	134.90
From other than related parties	9.00% to 14.50%	511.07
<b>Total</b>		<b>645.97</b>

**As at 31 March 2021**
**Terms of Loan**

Particulars	Rate of Interest	Amount
From related parties	10%	5,580.22
From other than related parties	9.00% to 14.50%	1,994.88
<b>Total</b>		<b>7,575.10</b>

**12 Other Financial liabilities**

Deposits received against loan agreements

Provision for expenses

Other liabilities

	As at 31 March 2022	As at 31 March 2021
	53.87	22.50
	56.12	9.65
	70.23	25.70
	<b>180.22</b>	<b>57.85</b>

**13 Current tax liabilities (net)**

Tax Provision (net of taxes paid)

[Net of advance tax Rs. Nil ( 31 March 2021 Rs. 304.49 Lakhs)]

	As at 31 March 2022	As at 31 March 2021
	-	110.50
	-	<b>110.50</b>

**14 Provisions**

For employee benefits

- Gratuity

	As at 31 March 2022	As at 31 March 2021
	11.13	4.47
	<b>11.13</b>	<b>4.47</b>

**15 Other non-financial Liabilities**

Statutory dues payable

Other Payables

	As at 31 March 2022	As at 31 March 2021
	66.23	51.77
	-	0.06
	<b>66.23</b>	<b>51.83</b>

**16 Equity share capital**
**Authorised share capital**

13,00,00,000 (As at 31 March 2021 - 13,00,00,000) equity share of Rs. 1/- each

**Issued share capital**

12,68,58,198 (As at 31 March 2021 - 12,68,58,198) equity share of Rs. 1/- each

	As at 31 March 2022	As at 31 March 2021
	1,300.00	1,300.00
	1,268.58	1,268.58
	<b>1,268.58</b>	<b>1,268.58</b>



**Subscribed share capital**

12,68,58,198 (As at 31 March 2021 - 12,68,58,198) equity share of Rs. 1/- each

1,268.58 1,268.58

**1,268.58 1,268.58**
**Paid up share capital**

12,68,58,198 (As at 31 March 2021 - 12,68,58,198) equity share of Rs. 1/- each

1,268.58 1,268.58

**1,268.58 1,268.58**
**Total Equity**
**1,268.58 1,268.58**
**Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year**
**Particulars**
**As at 31 March 2020**

Issued during the year

**As at 31 March 2021**

Issued during the year

**As at 31 March 2022**

	Number of shares	Amount in INR
<b>As at 31 March 2020</b>	<b>126,858,198</b>	<b>1,268.58</b>
Issued during the year	-	-
<b>As at 31 March 2021</b>	<b>126,858,198</b>	<b>1,268.58</b>
Issued during the year	-	-
<b>As at 31 March 2022</b>	<b>126,858,198</b>	<b>1,268.58</b>

**Rights, preferences and restrictions attached to each class of shares:**

The Company has only one class of shares referred to as equity shares having a par value of INR 1 each. Every holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining asset 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.

**Details of shareholders holding more than 5% equity shares in the Company**

Details of shareholding	As at 31 March 2022		As at 31 March 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Kalawati Kothari	6,992,600	5.51%	6,992,600	5.51%
Ketan Kothari	53,451,230	42.13%	53,451,230	42.13%
Mohinidevi Kothari	6,545,600	5.16%	6,545,600	5.16%
Rishabh Jewellers	8,108,108	6.39%	8,108,108	6.39%
Muthoot Bankers	18,421,050	14.52%	18,421,050	14.52%
Nexpact Limited	7,414,040	5.84%	6,899,040	5.44%

**Shareholding of Promoters**

Promoters name	Shares held by promoters at the end of the year			% Change during the year
	Year ended	Number of Shares	% of Holding	
Ketan Kothari	Shares As at 31 March 2022	53,451,230	42.13%	0.00%
	Shares As at 31 March 2021	53,451,230	42.13%	0.00%
Devkumari Kothari	Shares As at 31 March 2022	71,270	0.06%	0.00%
	Shares As at 31 March 2021	71,270	0.06%	-0.79%
Kalawati Kothari	Shares As at 31 March 2022	6,992,600	5.51%	0.00%
	Shares As at 31 March 2021	6,992,600	5.51%	-0.85%
Mohinidevi Kothari	Shares As at 31 March 2022	6,545,600	5.16%	0.00%
	Shares As at 31 March 2021	6,545,600	5.16%	-0.86%

**Note:**

The Company does not have any holding or ultimate holding company.

During the period of five years immediately preceding the balance sheet date, the Company has not issued any shares without payment being received in cash or by way of bonus shares or shares bought back.

**Shares reserved for issue under Employee Stock Option Scheme:**

The Company has reserved 404,664 equity shares (31 March 2021: Nil) for issue under the Employee Stock Option Scheme 2018.

**17 Other equity**

	As at 31 March 2022	As at 31 March 2021
Securities premium reserve	11,092.78	11,092.78
General reserve	0.78	0.78
Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)	685.48	254.30
Retained earnings	2,706.86	978.16
Share based payment reserve	51.40	-
Other comprehensive income	(2.05)	-
	<b>14,536.26</b>	<b>12,326.02</b>

**Nature and purpose of other equity :**
**(a) Securities premium reserve**

The amount received in excess of face value of the equity shares is recognised in Securities premium reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

**(b) General reserve**

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

**(c) Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)**

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation.

**The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:**

(1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

(2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty one days from the date of such withdrawal:

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty one days by such further period as it thinks fit or condone any delay in making such report.

(3) Notwithstanding anything contained in sub-section (1), the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section

(1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

**(d) Retained earnings**

Retained earnings or accumulated surplus represents total of all profits retained since company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

**(e) Share based payment reserve**

Share based payment reserve represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees and unvested stock options in the Statement of profit and loss in respect of equity-settled share options granted to the eligible employees of the Company in pursuance of the Employee Stock Option Plan.

**(f) Other comprehensive income**

Other comprehensive income consist of FVOCI financial assets and financial liabilities and remeasurement of defined benefit assets and liability.

**18 Revenue from Operations**

	Year ended 31 March 2022	Year ended 31 March 2021
Interest income on loans measured at amortised cost	1,902.73	1,955.56
Fees and commission income - service charges and other fee on loans	361.23	-
<b>Net gain on fair value changes</b>		
- Fair value of financial assets - investments (realised)	4.11	11.38
- Fair value of financial assets - investments (unrealised)	-	76.33
Profit on sale of investments in subsidiary carried at cost	2,095.22	-
	<b>4,363.29</b>	<b>2,043.27</b>

**19 Other Income**

	Year ended 31 March 2022	Year ended 31 March 2021
Interest on Income Tax refund	-	2.07
Interest on deposit with bank	0.84	-
Unwinding of interest on security deposit	0.46	0.14
Miscellaneous income	0.43	-
	<b>1.73</b>	<b>2.21</b>



**20 Finance costs**

**On Financial liabilities measured at amortised cost**

**Interest on borrowings (other than debt securities)**

- Loans from others
- Loan from bank
- External commercial borrowings

**Other finance cost**

- Interest on lease liabilities
- other borrowing cost

	Year ended 31 March 2022	Year ended 31 March 2021
	267.14	675.03
	8.84	-
	47.47	-
	5.07	8.63
	2.87	-
	<b>331.38</b>	<b>683.65</b>

**21 Net loss on fair value changes**

Fair value of financial assets - investments (unrealised)

	Year ended 31 March 2022	Year ended 31 March 2021
	38.62	-
	<b>38.62</b>	<b>-</b>

**22 Impairment on financial instruments**

On financial instruments measured at amortised cost

Loans

	Year ended 31 March 2022	Year ended 31 March 2021
	186.58	443.37
	<b>186.58</b>	<b>443.37</b>

**23 Employee benefits expenses**

- Salaries and other allowances and bonus
- Directors remuneration
- Contribution to provident funds
- Share based payments to employees
- Staff welfare expenses
- Gratuity expenses (refer note 33)

	Year ended 31 March 2022	Year ended 31 March 2021
	120.59	100.28
	46.50	21.08
	2.99	-
	51.40	-
	8.08	0.88
	3.92	4.47
	<b>233.47</b>	<b>126.72</b>

**24 Depreciation, amortisation and impairment**

- Depreciation on property plant & equipment
- Amortisation of intangible assets
- Depreciation on right of use assets (refer note 31)

	Year ended 31 March 2022	Year ended 31 March 2021
	13.73	3.03
	2.83	1.61
	12.23	14.90
	<b>28.78</b>	<b>19.53</b>

**25 Other Expenses**

- Stock exchange, depository & RTA charges
- Repairs and maintenance - other
- Legal and professional charges
- Payment to Auditors**
  - Statutory audit fees
  - Certification fees
- Business promotion
- GST paid on input services
- Telephone and communication
- Advertisement and publishing
- Share of loss in LLP
- Fees and subscription
- Travelling expenses
- Donations
- Corporate social responsibility (CSR) expenses (refer note 28)
- Bad debts
- Office rent
- Miscellaneous expenses

	Year ended 31 March 2022	Year ended 31 March 2021
	4.21	4.99
	6.07	2.41
	69.90	51.50
	1.50	1.50
	0.20	-
	28.11	10.81
	57.53	10.66
	0.93	0.90
	3.11	1.45
	-	9.10
	23.75	9.14
	7.40	0.57
	6.44	-
	10.74	6.20
	-	7.25
	0.45	1.70
	24.29	5.39
	<b>244.62</b>	<b>123.57</b>

**Note forming part for the financial statements for the year ended 31 March 2022**  
**(All amounts in INR in Lakhs, unless otherwise stated)**

**26 Income tax expenses**

The components of income tax expense for the financial year are as under:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>(a) Tax expense recognised in the Statement of Profit and Loss</b>		
Current tax	533.00	250.00
Deferred tax relating to origination and reversal of temporary differences	10.13	(92.59)
Tax pertaining to earlier years	1.69	(0.07)
	<b>544.82</b>	<b>157.34</b>

**(b) Reconciliation of the total tax charge:**

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the financial years is as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	2,705.70	608.11
Enacted tax rate	25.168%	25.168%
Current tax expenses on profit before tax expenses at the enacted income tax rate in India	680.97	153.05
<b>Reconciliations</b>	-	-
Tax pertaining to earlier years	1.69	(0.07)
Income subject to tax at special rate	(29.06)	-
Effect of tax on income enjoying tax concession	(125.56)	-
<b>Non Deductible expenses</b>		
- Corporate social responsibility expenditure	2.70	1.56
- Tax pertaining to income / loss not taxable / deductible	1.66	2.29
Others	12.41	0.51
<b>Total tax expenses</b>	<b>544.82</b>	<b>157.34</b>

**(c) Deferred Tax**

The following table shows movement in deferred tax recorded in balance sheet and changes recorded in the income tax expenses :

Particulars	As at 31 March 2021	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to OCI	As at 31 March 2022
- on Right of use and Lease liabilities	(3.56)	(0.95)	-	(2.62)
- on WDV of Property, plant & Equipment as per books	0.56	(1.24)	-	1.80
- on unabsorbed losses	27.52	27.52	-	-
- on expected credit losses	147.85	(5.00)	-	152.85
- on fair valuation of financial asset	(19.15)	(9.92)	-	(9.23)
- on Provision for post retirement benefits	1.13	(0.99)	(0.69)	2.80
- Others	2.13	0.71	-	1.42
	<b>156.47</b>	<b>10.13</b>	<b>(0.69)</b>	<b>147.03</b>

Particulars	As at 01 April 2020	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to OCI	As at 31 March 2021
- on Right of use and Lease liabilities	(0.40)	3.16	-	(3.56)
- on WDV of Property, plant & Equipment as per books	0.40	(0.17)	-	0.56
- on unabsorbed losses	27.62	0.10	-	27.52
- on expected credit losses	36.26	(111.58)	-	147.85
- on fair valuation of financial asset	-	19.15	-	(19.15)
- on Provision for post retirement benefits	-	(1.13)	-	1.13
- Others	0.00	(2.12)	-	2.13
	<b>63.88</b>	<b>(92.59)</b>	-	<b>156.47</b>

**27 Earning Per Share (EPS)**

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Net Profit attributable to equity share holders (in INR)</b>	2,160.88	450.78
<b>Computation of weighted average number of equity shares :</b>		
Weighted average number of equity shares outstanding during the year for computing basic EPS	12,68,58,198	12,68,58,198
Add: Option granted to employees	42,627	-
Weighted average number of equity shares outstanding during the year for computing diluted EPS	12,69,00,825	12,68,58,198
<b>Earnings per equity share (Face value of INR 1 per equity share):</b>		
Basic earnings per share - in rupees	1.70	0.36
Diluted earnings per share - in rupees	1.70	0.36
<b>Anti-Dilutive shares</b>	11,391	-

**28 Corporate Social Responsibility (CSR) :**

- a) The CSR activities of the Company shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time.
- b) During the year ended 31 March 2022, the Company has incurred an expenditure of Rs.10.74 Lakhs (31 March 2021: Rs. 6.20 Lakhs) towards CSR activities which includes contribution / donations made to the trusts which are engaged in activities prescribed under section 135 of the Companies Act, 2013 read with Schedule VII to the said Act
- c) **Amount required to be spent and amount spent towards CSR activities by the Company**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Amount required to be spent as per section 135 of the Act</b>		
(i) Unspent amount as at the beginning of the year	0.03	-
(ii) Amount required to be spent during the year based on average of preceeding three year profits	8.05	6.23
<b>Total amount required to be spent</b>	<b>8.08</b>	<b>6.23</b>
<b>Amount spent during the year on :</b>		
(i) Construction/acquisition of assets	-	-
(ii) on purpose other than above	10.74	6.20
<b>Balance / (excess) amount to be spent / spent as per section 135 of the Act</b>	<b>(2.66)</b>	<b>0.03</b>

The Company has neither made any CSR Contributions to its related parties nor recorded any provision for CSR expenditure.

**29 Contingent Liabilities (to the extent not provided for)**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Claim against the Company not acknowledged as debts</b>	-	<b>3.53</b>

The Company's pending litigations comprise of proceedings pending with Income Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions / contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.



### 30 Capital Commitments

The Company does not have any Capital Commitments as on 31 March 2022. (Nil as at 31 March 2021).

### 31 Leases

The Company's lease asset classes primarily consist of leases of buildings or part thereof taken on lease for offices premises.

**The Company uses following practical expedient, when applying Ind AS 116 to leases :**

- (1) The Company didn't recognised Right of Use and Lease liabilities for lease for which the lease terms ends within 12 months on the date of initial transition and low value assets.
- (2) The Company excluded initial direct cost from measurement of the Right of Use assets at the date of initial application.
- (3) The Company uses hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

**Following are the changes in the carrying value of right of use assets for the year ended 31 March 2022:**

Particulars	Amount
<b>Right of Use Asset - Office Premises</b>	
<b>Cost</b>	
Balance as at 01 April 2020	24.19
Additions	29.67
Deletions	-
<b>Balance as at 31 March 2021</b>	<b>53.86</b>
Additions	1.25
Deletions	-
<b>Balance as at 31 March 2022</b>	<b>55.11</b>
<b>Accumulated Depreciation</b>	
Balance as at 01 April 2020	5.48
Depreciation charged for the year	14.90
Deletions	-
<b>Balance as at 31 March 2021</b>	<b>20.37</b>
Depreciation charged for the year	12.23
Deletions	-
<b>Balance as at 31 March 2022</b>	<b>32.60</b>
<b>Carrying amount</b>	
Balance as at 31 March 2021	33.48
Balance as at 31 March 2022	22.51

**Following is the movement in lease liabilities during the year ended 31 March 2022:**

Particulars	Amount
Balance as on 01 April 2020	20.32
Additions	29.67
Interest accrued during the year	8.63
Deletions	-
Payment of lease liabilities	10.97
<b>Balance as on 31 March 2021</b>	<b>47.65</b>
Additions	1.25
Interest accrued during the year	5.07
Deletions	-
Payment of lease liabilities	21.05
<b>Balance as at 31 March 2022</b>	<b>32.92</b>

The Company has not revalued any of its Right-of-use assets during the years ended 31 March 2022 and 31 March 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

**Break-up of the contractual maturities of lease liabilities on an undiscounted basis :**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Less than 1 year	19.80	19.80
1 to 2 years	17.55	19.80
2 to 3 years	-	17.55
3 to 4 years	-	-
4 to 5 years	-	-
More than 5 years	-	-
<b>Total</b>	<b>37.35</b>	<b>57.15</b>
Weighted average effective interest rate (%)	9.00%	9.00%

**Short-term leases expenses incurred :**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Amounts recognised in the Statement of Profit and Loss</b>		
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	12.23	14.90
Interest expense (included in finance costs)	5.07	8.63
Expense relating to short-term leases (included in other expenses)	0.45	1.70
<b>The total cash outflow for leases during the year</b>	<b>17.75</b>	<b>25.22</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**32 Related party disclosures**
**A List of related parties and relationships with whom transaction have taken place and relationships of control**

Nature of relationship	Name of the party
Promoters	Mr. Ketan Kothari Mrs. Devkumari Kothari Mrs. Kalawati Kothari Mrs. Mohinidevi Kothari
Subsidiary	Arvog Forex Private Limited (till 10.02.2022)
Associates	Pratvik Hospitality LLP (up to 29.03.2021)
Key Management Personnel (KMP)	Mr. Ketan Kothari, Promoter & Director Mr. Sachin Kothari, Director (till 30.09.2020) Mrs. Riddhi Tilwani, Director Mr. Nishant Ranka, Director Mr. Narendra Jain, Director (w.e.f. 31.08.2020) Mr. Priyank Kothari (w.e.f. 17.05.2021) Mr. Rakesh Mehta, Director (17.05.2021 to 09.03.2022) Mr. Aakash Jain, Chief Financial Officer Mr. Sunny Parekh, Company Secretary
Relatives of Key Management Personnel (where there are transactions)	Mr. Vivek Kothari Mr. Bhawarlal Kothari Mr. Manekchand Kothari Mrs. Ratandevi Bafna Mrs. Bhavna Bafna
Enterprise over which promoters or Key Managerial Personnel are able to exercise influence (entities with whom the Company has transactions)	Acchai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd) (Previously subsidiary) (up to 20.01.2021) Arch & Teco Consultants Pvt. Ltd. Aranath Real Estate Pvt Ltd (Formerly Known as Renaissance Fincon Pvt Ltd ) Augmont Enterprises Pvt Ltd Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd) Badami Investment Badami Trading LLP Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd) (till June 2020) HR Commercial Pvt Ltd (w.e.f. 31.08.2020) Haven Infoline LLP Haven Infoline Pvt Ltd Hriday Products Private Limited Kevin & Mike Consultancy Krish Dreams Home Pvt Ltd Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd) Pratvick Hospitality LLP Riddisiddhi Bullions Ltd RSBL Builders LLP RSBL Refining & Assaying LLP  Vimuk Enterprises LLP

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

(a) Transaction with Related Party

Nature of Transaction	Year ended 31 March 2022					Year ended 31 March 2021			
	Promoters	Key Management Personnel (KMP)	Subsidiary	Relatives of KMP	Enterprise owned or controlled by KMP or Relatives	Associates	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives
<b>INCOME</b>									
<b>Interest Received</b>	-	-	-	-	763.81	-	-	0.25	1,323.23
Acchal Foods Pvt Ltd (Formerly Known as Arvog Leisure Private Limited)	-	-	-	-	-	-	-	-	0.04
Aranth Real Estate Pvt Ltd (Formerly Known as Renaissance Fincon Pvt Ltd)	-	-	-	-	313.90	-	-	-	897.37
Arvog Forex Pvt Ltd (Formerly known as Supama Forex Pvt Ltd)	-	-	-	-	-	-	-	0.25	-
Augmont Enterprises Pvt Ltd	-	-	-	-	48.32	-	-	-	-
Augmont Goldtech Pvt Ltd (Formerly Known as Augmont Precious Metals Pvt Ltd)	-	-	-	-	0.14	-	-	-	21.65
Badami Investment	-	-	-	-	285.18	-	-	-	219.12
Badami Trading LLP	-	-	-	-	-	-	-	-	2.20
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	-	-	-	-	-	-	-	7.83
Haven Infoline LLP	-	-	-	-	-	-	-	-	42.55
Haven Infoline Pvt Ltd	-	-	-	-	18.23	-	-	-	-
Hriday Products Pvt Ltd	-	-	-	-	-	-	-	-	5.75
Kevin & Mike Consultancy	-	-	-	-	28.26	-	-	-	22.53
Krish Dreams Home Pvt Ltd	-	-	-	-	68.39	-	-	-	65.46
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	-	-	1.39	-	-	-	10.41
Pratvick Hospitality LLP	-	-	-	-	-	-	-	-	9.45
RSBL Refining & Assaying LLP	-	-	-	-	-	-	-	-	12.41
Vimuk Enterprises LLP	-	-	-	-	-	-	-	-	6.45
	-	-	-	-	-	-	-	-	-

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

Nature of Transaction	Year ended 31 March 2022					Year ended 31 March 2021				
	Promoters	Key Management Personnel (KMP)	Subsidiary	Relatives of KMP	Enterprise owned or controlled by KMP or Relatives	Associates	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives	
<b>EXPENSES</b>										
<b>Remuneration &amp; Sitting Fees (Excl GST)</b>	-	73.70	-	-	-	-	44.91	-	-	
Narendra Jain	-	27.00	-	-	-	-	15.75	-	-	
Priyank Kothari	-	18.00	-	-	-	-	-	-	-	
Nishant Ranka	-	0.50	-	-	-	-	0.50	-	-	
Riddhi Tilwani	-	0.50	-	-	-	-	0.50	-	-	
Rakesh Mehta	-	0.50	-	-	-	-	-	-	-	
Sachin Kothari	-	-	-	-	-	-	4.15	-	-	
Aakash Jain	-	12.90	-	-	-	-	11.53	-	-	
Sunny Parekh	-	14.30	-	-	-	-	12.48	-	-	
<b>Rent Paid</b>	-	-	-	-	16.80	-	-	-	8.40	
RSBL Builders LLP	-	-	-	-	16.80	-	-	-	8.40	
<b>Interest Paid</b>	-	-	-	-	150.45	-	-	-	510.73	
Augmont Enterprises Pvt Ltd	-	-	-	-	145.05	-	-	-	483.87	
HR Commercial's Pvt Ltd	-	-	-	-	4.66	-	-	-	6.05	
Riddisiddhi Bullions Ltd	-	-	-	-	0.74	-	-	-	20.81	
<b>Share of Profit / (Loss)</b>	-	-	-	-	-	-	-	-	(9.10)	
Pratvick Hospitality LLP	-	-	-	-	-	-	-	-	(9.10)	
<b>OTHER TRANSACTIONS</b>										
<b>Sale of Investments</b>	-	-	-	-	-	7.27	-	-	-	
Pratvick Hospitality LLP	-	-	-	-	-	7.27	-	-	-	
<b>Purchase of Investments - Subsidiary</b>	29.26	-	-	188.98	-	-	-	-	-	
Ketan Kothari	3.50	-	-	-	-	-	-	-	-	
Mohindevi Kothari	25.76	-	-	-	-	-	-	-	-	
Vivek Kothari	-	-	-	89.90	-	-	-	-	-	
Bhwarlal Kothari	-	-	-	58.21	-	-	-	-	-	
Marnekchand Kothari	-	-	-	40.14	-	-	-	-	-	
Ratandevi Bafna	-	-	-	0.37	-	-	-	-	-	
Bhavna Bafna	-	-	-	0.37	-	-	-	-	-	
<b>Loan Given during the year- unsecured-Short Term</b>	-	-	-	-	22,898.24	-	-	557.60	6,117.11	
Acchai Foods Pvt Ltd	-	-	-	-	-	-	-	-	7.00	
Arenath Real Estate Pvt Ltd (Formerly Known as Renaissance Fincon Pvt Ltd)	-	-	-	-	17,486.65	-	-	-	3,105.00	
Arvog Forex Pvt Ltd (Formerly known as Supama Forex Pvt Ltd)	-	-	-	-	-	-	-	557.60	-	
Augmont Goldtech Pvt Ltd (Formerly Known as Augmont Precious Metals Pvt. Ltd)	-	-	-	-	476.00	-	-	-	655.01	
Badami Investment	-	-	-	-	4,753.39	-	-	-	4,005.50	
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	-	-	-	-	-	-	-	145.00	
Haven Infoline LLP	-	-	-	-	-	-	-	-	101.00	
Haven Infoline Pvt Ltd	-	-	-	-	57.00	-	-	-	-	
HR Commercial Pvt Ltd	-	-	-	-	-	-	-	-	4.83	
Kevin & Mike Consultancy	-	-	-	-	41.50	-	-	-	49.50	
Krish Dreams Home Pvt Ltd	-	-	-	-	83.70	-	-	-	5.00	
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	-	-	-	-	-	-	7.00	
Pratvick Hospitality LLP	-	-	-	-	-	-	-	-	7.27	
Vimuk Enterprises LLP	-	-	-	-	-	-	-	-	25.00	



Nature of Transaction	Year ended 31 March 2022					Year ended 31 March 2021			
	Promoters	Key Management Personnel (KMP)	Subsidiary	Relatives of KMP	Enterprise owned or controlled by KMP or Relatives	Associates	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives
<b>Loan Received Back</b>	-	-	-	-	<b>31,290.61</b>	-	-	<b>616.94</b>	<b>6,815.73</b>
Acchai Foods Pvt Ltd (Formerly Known as Arvog Leisure Pvt Ltd)	-	-	-	-	-	-	-	-	-
Aranath Real Estate Pvt Ltd (Formerly Known as Renaissance Fincon Pvt Ltd)	-	-	-	-	24,764.59	-	-	-	3,271.28
Arvog Forex Pvt Ltd (Formerly known as Supama Forex Pvt Ltd)	-	-	-	-	-	-	-	616.94	-
Augmont Goldtech Pvt Ltd (Formerly Known as Augmont Precious Metals Pvt Ltd)	-	-	-	-	476.00	-	-	-	655.01
Badami Investment	-	-	-	-	5,440.20	-	-	-	2,107.45
Badami Trading LLP	-	-	-	-	-	-	-	-	57.75
Goldella Precious Metals Pvt Ltd( Formerly known as Augmont Gold Pvt Ltd)	-	-	-	-	-	-	-	-	77.70
Haven Infoline LLP	-	-	-	-	-	-	-	-	172.82
Haven Infoline Pvt Ltd	-	-	-	-	498.18	-	-	-	-
HR Commercial Pvt Ltd	-	-	-	-	6.32	-	-	-	-
Hriday Products Pvt Ltd	-	-	-	-	-	-	-	-	25.00
Krish Dreams Home Pvt Ltd	-	-	-	-	9.32	-	-	-	34.08
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	-	-	96.00	-	-	-	-
RSBL Refining & Assaying LLP	-	-	-	-	-	-	-	-	257.47
Vimuk Enterprises LLP	-	-	-	-	-	-	-	-	157.18
<b>Loan taken during the year- unsecured-Short Term</b>	-	-	-	-	<b>19,421.50</b>	-	-	-	<b>21,321.79</b>
Augmont Enterprises Pvt Ltd	-	-	-	-	19,307.81	-	-	-	11,582.00
HR Commercials Pvt Ltd	-	-	-	-	93.68	-	-	-	177.00
Riddisiddhi Bullions Ltd	-	-	-	-	20.00	-	-	-	9,562.79
<b>Loan Paid - Refunded</b>	-	-	-	-	<b>24,501.09</b>	-	-	-	<b>22,021.77</b>
Augmont Enterprises Pvt Ltd	-	-	-	-	24,441.87	-	-	-	10,510.10
HR Commercials Pvt Ltd	-	-	-	-	-	-	-	-	262.26
Riddisiddhi Bullions Ltd	-	-	-	-	59.22	-	-	-	11,249.42



(b) Outstanding as the the balance sheet date

Nature of Transaction	As at 31 March 2022			As at 31 March 2021		
	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives
<b>Investment</b>	-	-	-	-	852.80	-
Arvog Forex Pvt Ltd (Formerly known as Supama Forex Pvt Ltd)	-	-	-	-	852.80	-
<b>Loan Given - Short Term - Outstanding</b>	-	-	<b>4,212.44</b>	-	-	<b>12,810.36</b>
Acchai Foods Pvt Ltd (Formerly Known as Arvog Leisure Private Limited)	-	-	-	-	-	7.04
Augmont Goldtech Pvt Ltd (Formerly Known as Augmont Precious Metals Pvt Ltd)	-	-	0.13	-	-	11.62
Augmont Enterprises Pvt Ltd	-	-	50.97	-	-	-
Aranth Real Estate Pvt Ltd (Formerly Known as Renaissance Fincon Pvt Ltd )	-	-	388.35	-	-	7,801.18
Badami Investment	-	-	2,667.79	-	-	3,347.94
Goldella Precious Metals Pvt Ltd( Formerly known as Augmont Gold Pvt Ltd)	-	-	-	-	-	111.23
Haven Infoline LLP	-	-	-	-	-	480.55
HR Commercials Pvt Ltd	-	-	-	-	-	4.83
Kevin & Mike Consultancy	-	-	299.72	-	-	238.78
Krish Dreams Home Pvt Ltd	-	-	728.21	-	-	603.46
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	-	-	-	106.57
Pratvick Hospitality LLP	-	-	77.27	-	-	97.17
<b>Loan Received - Outstanding</b>	-	-	<b>134.90</b>	-	-	<b>5,580.22</b>
Augmont Enterprises Pvt Ltd	-	-	-	-	-	5,531.97
Augmont Goldtech Pvt Ltd (Formerly Known as Augmont Precious Metals Pvt Ltd)	-	-	35.54	-	-	-
HR Commercials Pvt Ltd	-	-	99.36	-	-	-
Riddisiddhi Bullions Ltd	-	-	-	-	-	48.25
<b>Other financials liabilities</b>	<b>8.06</b>	-	<b>0.14</b>	<b>2.82</b>	-	-
Narendra Jain	4.28	-	-	1.45	-	-
Priyank Kothari	1.46	-	-	-	-	-
Rakesh Mehta	0.45	-	-	-	-	-
Aakash Jain	1.03	-	-	0.99	-	-
Sunny Parekh	0.84	-	-	0.38	-	-
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	0.14	-	-	-

Note:

1. Related parties are as identified by the Company and relied upon by the Auditors.
2. No amount pertaining to Related Parties have been provided for as doubtful debts / written back.
3. There were no guarantee given or security provided during the year to the related parties.
4. Terms and conditions of transaction with related parties: the transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates.

**Note forming part for the financial statements for the year ended 31 March 2022  
(All amounts in INR in Lakhs, unless otherwise stated)**
**33 EMPLOYEE BENEFITS**
**i) Defined contribution plan :**

The Company makes Provident fund contribution which are defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 2.99 lakhs (31 March 2021: Rs. Nil) for Provident fund contributions in the Statement of Profit and Loss. The contributions payable to the plan by the Company is at rates specified in the rules of the scheme.

**ii) Defined benefit gratuity plan :**

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The disclosure in respect of the defined Gratuity Plan are given below:

	Year ended 31 March 2022	Year ended 31 March 2021
<b>a. Amounts recognised in the Statement of Profit &amp; Loss</b>		
Current service cost	3.62	1.76
Past service cost	-	2.71
Interest cost/(income)	0.30	-
<b>Total amount recognised in Statement of Profit &amp; Loss</b>	<b>3.92</b>	<b>4.47</b>
	Year ended 31 March 2022	Year ended 31 March 2021
<b>b. Amount recognised in Other Comprehensive income</b>		
Return on plan assets excluding amounts included in net finance income/(cost)	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(1.08)	-
Experience (gains) / losses	3.82	-
<b>Total amount recognised in Other Comprehensive Income</b>	<b>2.73</b>	<b>-</b>
	As at 31 March 2022	As at 31 March 2021
<b>c. Changes in the defined benefit obligation</b>		
<b>Opening defined benefit obligation</b>	4.47	-
Current service cost	3.62	1.76
Past service cost	-	2.71
Interest Cost/(Income)	0.30	-
return on plan assets in excluding amount	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(1.08)	-
Actuarial (gain)/loss arising from experience adjustments	3.82	-
Employer contributions	-	-
Benefit payments	-	-
<b>Closing defined benefit obligation</b>	<b>11.13</b>	<b>4.47</b>

**d. Change in the fair value of plan assets during the year**

Opening Fair value of plan assets	-	-
Interest Cost/(Income)	-	-
Expected return of plan assets excluding amounts included in net finance income/cost	-	-
Employer contributions	-	-
Adjustment due to change in opening balance of Plan assets	-	-
Actual Benefit payments	-	-
<b>Closing Fair value of plan assets</b>	<b>-</b>	<b>-</b>

	As at 31 March 2022	As at 31 March 2021
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-

**e. Net defined benefit obligation**

Defined benefit obligation	11.13	4.47
Fair value of plan assets	-	-
Surplus/(Deficit)	11.13	4.47
Current portion of the above	0.13	0.04
Non Current portion of the above	11.00	4.44

	As at 31 March 2022	As at 31 March 2021
	11.13	4.47
	-	-
	11.13	4.47
	0.13	0.04
	11.00	4.44

**f. Assumptions**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

**Financial Assumptions**

	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate	7.23%	6.78%
Salary Escalation Rate	5.00%	5.00%

**g. Sensitivity**

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	9.12	13.71
Salary Escalation Rate	1.00%	13.12	9.36

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

**h. The defined benefit obligations shall mature after year end 31 March 2022 as follows:**

	As at 31 March 2022	As at 31 March 2021
<b>Expected payments for future years</b>		
Within the next 12 months	0.13	0.04
Between 2 and 3 years	0.14	0.05
Between 3 and 4 years	0.18	0.06
Between 4 and 5 years	0.24	0.08
Between 5 and 6 years	0.26	0.09
Thereafter	10.18	4.15

**iii) Employee share based payment plans:**

During the year ended 31 March, 2022, the Company implemented Finkurve Employee Stock Option Plan 2018 ("2018 Plan"). The plan was approved by the shareholders in the Company's 34th AGM held on 29 September, 2018. The 2018 Plan have resulted into creation of ESOP pool of 50 lakhs options resulting into 50 lakhs equity shares of Rs 1 each. Further, the stock options to any single employee under the Plan shall not exceed 1% of fully diluted equity Shares of the Company during the tenure of the Plan, subject to compliance with Applicable Law.



The options granted under 2018 Plan have a maximum vesting period of 4 years from the end of grant date and is exercisable within 5 years of last vesting date. The options granted are based on the performance of the employees during the year of the grant and their continuing to remain in service. The process for determining the eligibility of employees for the grant of stock options under the 2018 Plan shall be determined by the Nomination and Remuneration Committee (Administrator of the 2018 Plan) in consultation with Board and based on employee's grade, performance rating and such other criteria as may be considered appropriate. The employees shall be entitled to receive one equity share of the Company on exercise of each stock option, subject to performance of the employees and continuation of employment over the vesting period and other terms of the plan. The Board of Directors or the Nomination and Remuneration Committee shall decide the Exercise Price and the discount rate at the time of granting the Options on the basis of per share Market rate of the shares of the Company as defined under 2018 Plan.

**a) Details of stock options granted:**

Particulars	Grant 1	Grant 2	Grant 3
Grant Date	01-04-2021	30-06-2021	24-08-2021
Last vesting date	31-03-2025	29-06-2025	23-08-2025
Market price at the time of grant of option (INR)	43.90	64.40	52.00
Exercise Price (INR)	27.00	27.00	27.00
<b>Options outstanding at the beginning of the year</b>	-	-	-
Options granted during the year	3,31,800	56,614	63,750
Options exercised during the year	-	-	-
Options forfeited during the year	-	-	-
Options lapsed during the year	47,500	-	-
<b>Balance as at year end</b>	<b>2,84,300</b>	<b>56,614</b>	<b>63,750</b>
<b>Vesting of option (in % of total) at period end</b>			
1st - after the end of 12 month from Grant date	25%	25%	25%
2nd - after the end of 24 month from Grant date	20%	20%	20%
3rd - after the end of 36 month from Grant date	20%	20%	20%
4th - after the end of 48 month from Grant date	35%	35%	35%
<b>Exercisable till the period end (5 years from last vesting date)</b>	<b>31-03-2030</b>	<b>29-06-2030</b>	<b>23-08-2030</b>

**b) Fair Value of Stock Options granted:**

Fair Value of Stock Options was calculated using the Black Scholes Model. The key assumptions used for calculating the option fair value are as below:

Particulars	Risk free interest rate	Expected volatility	Dividend yield	Issue price at Grant Date (INR) (*)	Exercise price (INR)
<b>Grant 1 - 1st April 2021</b>					
1st Vesting - 25% of total	3.93%	70.71%	0.00%	48.00	27.00
2nd Vesting - 20% of total	4.54%	71.04%	0.00%	51.68	27.00
3rd Vesting - 20% of total	4.93%	71.64%	0.00%	54.61	27.00
4th Vesting - 35% of total	5.59%	72.45%	0.00%	57.18	27.00
<b>Grant 2 - 30th June 2021</b>					
1st Vesting - 25% of total	4.09%	69.90%	0.00%	66.72	27.00
2nd Vesting - 20% of total	4.59%	70.50%	0.00%	70.05	27.00
3rd Vesting - 20% of total	4.89%	71.65%	0.00%	73.08	27.00
4th Vesting - 35% of total	5.65%	71.80%	0.00%	75.78	27.00
<b>Grant 3 - 24th August 2021</b>					
1st Vesting - 25% of total	4.17%	71.04%	0.00%	55.22	27.00
2nd Vesting - 20% of total	4.48%	70.94%	0.00%	58.71	27.00
3rd Vesting - 20% of total	4.93%	71.99%	0.00%	61.79	27.00
4th Vesting - 35% of total	5.41%	71.87%	0.00%	64.24	27.00

During the year, the Company has recognised an expense of Rs. 51.40 lakhs (31 March, 2021 - Nil)

(\*) Issue price includes the strike price, i.e. amount to be paid by employee and call price, i.e. the cost recognised and to be recognised in the Statement of Profit and Loss over the vesting period calculated under Black Scholes Model.

**FINKURVE FINANCIAL SERVICES LIMITED**
**Notes forming part of the Financial Statements for the year ended 31 March 2022**
**(All amounts in INR in Lakhs, unless otherwise stated)**
**34 Segment Information**

The Company primarily operates in Financing and other activities. Further, all activities are carried out within India. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM), there are no other operating segments which are identified as such and need to be reported.

**35 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 :

Particulars	As at 31 March 2022			As at 31 March 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>						
<b>Financial Assets</b>						
Cash and cash equivalents	263.11	-	263.11	194.44	-	194.44
Loans	10,183.93	7,136.15	17,320.08	3,050.41	16,653.57	19,703.98
Investments	0.05	508.45	508.50	11.15	1,247.18	1,258.33
Other financial assets	192.86	4.17	197.02	37.44	1.21	38.65
<b>Non Financial Assets</b>						
Current tax assets (net)	75.49	-	75.49	41.67	-	41.67
Deferred tax assets (net)	-	147.03	147.03	-	156.47	156.47
Property, plant and equipment	-	38.08	38.08	-	5.84	5.84
Right of use assets	-	22.51	22.51	-	33.48	33.48
Other intangible assets	-	1.65	1.65	-	4.48	4.48
Other non financial assets	41.62	-	41.62	39.38	-	39.38
<b>Total Assets</b>	<b>10,757.05</b>	<b>7,858.04</b>	<b>18,615.09</b>	<b>3,374.49</b>	<b>18,102.22</b>	<b>21,476.72</b>
<b>Liabilities</b>						
<b>Financial liabilities</b>						
<b>Payables</b>						
- Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	9.19	-	9.19	9.16	-	9.16
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	141.86	-	141.86	25.55	-	25.55
Borrowings (Other than debts securities)	1,857.64	511.07	2,368.71	7,109.70	465.39	7,575.10
Lease liabilities	16.58	16.34	32.92	14.73	32.92	47.65
Other financial liabilities	126.35	53.87	180.22	35.35	22.50	57.85
<b>Non financial liabilities</b>						
Current tax liabilities (net)	-	-	-	110.50	-	110.50
Provisions	0.13	11.00	11.13	0.04	4.44	4.47
Other non-financial liabilities	66.23	-	66.23	51.83	-	51.83
<b>Total liabilities</b>	<b>2,217.96</b>	<b>592.28</b>	<b>2,810.24</b>	<b>7,356.86</b>	<b>525.25</b>	<b>7,882.11</b>

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**36 Fair values**
**(a) Financial Instruments by category:**

Particulars	As at 31 March 2022				
	Amortised cost	At fair value through profit or loss	Other (*)	Total carrying value	Total Fair value
<b>Financial assets</b>					
Cash and bank balances	263.11	-	-	263.11	263.11
Trade receivables	-	-	-	-	-
Loans	17,320.08	-	-	17,320.08	17,320.08
Investments	-	508.50	-	508.50	508.50
Other financial assets	197	-	-	197.02	197.02
	<b>17780.22</b>	<b>508.50</b>		<b>18288.71</b>	<b>18288.71</b>
<b>Financial liabilities</b>					
Trade payables	151.05	-	-	151.05	151.05
Borrowings	2,368.71	-	-	2,368.71	2,368.71
Lease liabilities	32.92	-	-	32.92	32.92
Other financial liabilities	180.22	-	-	180.22	180.22
	<b>2732.89</b>	<b>-</b>		<b>2732.89</b>	<b>2732.89</b>

Particulars	As at 31 March 2021				
	Amortised cost	At fair value through profit or loss	Other (*)	Total carrying value	Total fair value
<b>Financial assets</b>					
Cash and bank balances	194.44	-	-	194.44	194.44
Trade receivables	-	-	-	-	-
Loans	19,703.98	-	-	19,703.98	19,703.98
Investments	-	405.53	852.80	1,258.33	1,258.33
Other financial assets	38.65	-	-	38.65	38.65
	<b>19937.07</b>	<b>405.53</b>	<b>852.80</b>	<b>21195.40</b>	<b>21195.40</b>
<b>Financial liabilities</b>					
Trade payables	34.71	-	-	34.71	34.71
Borrowings	7,575.10	-	-	7,575.10	7,575.10
Lease Liabilities	47.65	-	-	47.65	47.65
Other financial liabilities	57.85	-	-	57.85	57.85
	<b>7715.30</b>	<b>-</b>	<b>-</b>	<b>7715.30</b>	<b>7715.30</b>

(\*) Other includes investments in subsidiary carried at cost.

**(b) Fair value hierarchy and method of valuation:**

The Company categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

Level 3 - Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants. The management of the Company assessed that loans given, cash and cash equivalents, trade receivables, trade payables, other current financial liabilities, current loans and other financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.



**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

The following table provides the fair value measurement hierarchy of the assets and liabilities of the Company :-

Quantitative disclosures fair value measurement hierarchy for assets/liabilities as at year end:

Particulars	31 March 2022				Total
	Carrying value	Level 1	Level 2	Level 3	
<b>Financial assets measured at FVTPL</b>					
Investments in equity shares	245.92	0.05	-	245.88	245.92
Investment in partnership firm	-	-	-	-	-
Investment in preference shares	171.58	-	-	171.58	171.58
Investment in venture funds	-	-	-	-	-
Investment in AIF	20.00	-	-	20.00	20.00
Investment in debentures	71.00	-	-	71.00	71.00
Investment in mutual funds	-	-	-	-	-

Particulars	31 March 2021				Total
	Carrying value	Level 1	Level 2	Level 3	
<b>Financial assets measured at FVTPL</b>					
Investments in equity shares	266.43	0.05	-	266.38	266.43
Investment in partnership firm	-	-	-	-	-
Investment in preference shares	103.00	-	-	103.00	103.00
Investment in venture funds	-	-	-	-	-
Investment in AIF	-	-	-	-	-
Investment in debentures	25.00	-	-	25.00	25.00
Investment in mutual funds	11.10	11.10	-	-	11.10

**(c) Fair value measurements using significant unobservable inputs (level 3)**

	As at 31 March 2022	As at 31 March 2021
<b>Opening Balance</b>	394.38	216.34
Acquisition during the year	152.67	118.42
Gain/(Losses) recognised in statement of profit or loss	(38.60)	76.29
Disposal during the year	-	(7.57)
Share of profit/(loss) - partnership firms	-	(9.10)
<b>Closing Balance</b>	<b>508.45</b>	<b>394.38</b>

**(d) Significant unobservable input(s) for Level 3 hierarchy**

The fair value of financial instruments that are not traded in active market is determined by using valuation techniques. The Company uses judgement to select from variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Significant inputs considered in valuation are Terminal Growth rate, Weighted average cost of capital and computation of Net asset value in case of certain investments.

**Relationship of unobservable inputs to fair value and sensitivity**

Increase or decrease in multiple will result in increase or decrease in valuation.

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**37 Financial risk management objectives and policies**

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's Board of Directors has appropriate financial risk governance framework for the Company. The Board of Directors govern the Company's financial risk activities by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises 3 types of risk: interest rate risk and currency risk. Financial instruments affected by market risk includes loans, Investment in units of mutual fund, and borrowings.

**Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk primarily from borrowings. The Company monitors the changes in interest rates and actively regarding finances its debt obligations and/or re-evaluate the investment position to achieve an optimal interest rate exposure.

The Company's borrowings are majorly is at fixed interest rates and accordingly, the company is not exposed to any significant interest rate risk.

**Foreign currency risk and sensitivity**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company does not have any foreign currency exposure, accordingly it is not exposed to the foreign currency risks.

**Investment price risk**

The Company's exposure in Investment in equity share & mutual funds - Quoted as at 31 March 2022 is INR 0.04 lakhs (31 March 2021 Rs. 11.15 lakhs) and as a result the impact of any price change will not have a material effect on the profit or loss of the Company.

**Credit Risk**

The Company is exposed to credit risk from their operating activities (primarily Loans given), The Company manage the credit risk by continuously monitoring the creditworthiness of customers. The Company has used a practical expedient by computing the expected credit loss allowance for external trade receivables based on a provision matrix. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Expected credit loss on loans given is Rs. 774.02 lakhs (31 March 2021 - Rs.587.44 lakhs)

**Liquidity Risk**

Liquidity risk refers to insufficiency of funds to meet the financial obligations. The Company manages liquidity risk by borrowings, fund infusion by issue of equity shares/ preference shares, continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include principal cash flows. The contractual maturity is based on the earliest date on which the company may be required to pay.

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

As at 31 March 2022	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	1,079.16	511.07	778.48	2,368.71
Trades payables	151.05	-	-	151.05
Lease Liability	16.58	16.34	-	32.92
Other Financial Liability	180.22	-	-	180.22

As at 31 March 2022	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	7,109.70	465.39	-	7,575.10
Trades payables	34.71	-	-	34.71
Lease Liability	14.73	32.92	-	47.65
Other Financial Liability	57.85	-	-	57.85

**38 Capital management**
**Risk management**

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using a capital adequacy ratio as prescribed by Reserve Bank of India.

**39 Transactions in the nature of change in ownership in other entities**

Pursuance to the resolution passed by the Board of Directors, during the year, the Company have acquired balance 1,47,000 (one lakh forty seven thousand) i.e. 16.80% equity shares of Arvog Forex Private Limited (formerly known as Supama Forex Private Limited), a material subsidiary company resulting into Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) became 100% subsidiary of company.

Subsequently, pursuance to the special resolution passed by the members of the company in annual general meeting held on 20 September 2021, the Board of Directors have entered into agreement with Revolut Payments India Private Limited for disinvestments and sale of 8,75,000 (eight lakh seventy five thousands) i.e. 100% equity shares of Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) held by the Company. The transaction have been completed during the year and on this sale transaction, the Company recognised a pre-tax profit of Rs. 2,095.22 lakhs on a standalone basis and the same has been disclosed under the revenue in the statement of profit and loss for the year ended 31 March 2022.

Consequent to above, Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) ceases to be subsidiary of the Company with effective from 11 February 2022.



**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**40 Recent accounting and other pronouncements :**

**A) New Standards issued or amendments to the existing standard but not yet effective :**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no impact on its financial statements.

(c) Ind AS 103 | Business combinations – The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.

(d) Ind AS 109 | Financial instruments – The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

**B) other recent pronouncements :**

(a) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Employee Benefit Plan. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

(b) Ministry of Corporate Affairs issued notifications dated 24 March 2021 to amend Schedule - III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the Financial Year starting 01 April 2021. Amendments relating to Division III of Schedule III which relates to the NBFC whose financial statements are required to comply with Companies (Indian Accounting Standard) Rules 2015 as amended by Companies (Indian Accounting Standard) Rules 2016 have been complied with by the Company.

(c) On November 12th 2021, the Reserve Bank of India (RBI) had issued circular no. RBI/2021-2022/125 DOR.STR. REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms (IRACP norms) pertaining to Advances. On February 15th 2022, the RBI had issued another circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 providing time till September 30th 2022. Accordingly, the Company will implement the updated norms under IRACP w.e.f. 1st October 2022.

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**41 Reconciliation of movement of liabilities to cash flows arising from financing activities**

Particulars	Year ended	Year ended
	31 March 2022	31 March 2021
Opening Balance	7,575.10	7,278.70
Add: Cash flows (net)	(5,206.39)	296.40
Closing Balance	<b>2,368.71</b>	<b>7,575.10</b>

**42 Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Non-Banking Financial Company – Non - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 :**

Particulars	As at		As at	
	31 March 2022		31 March 2021	
	Amount		Amount	
LIABILITIES SIDE:	Outstanding	Amount Overdue	Outstanding	Amount Overdue
<b>1 Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :</b>				
(a) Debentures:Secured	-	-	-	-
:Unsecured	-	-	-	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	504.29	-	-	-
(d) Inter-corporate loans and borrowing	645.97	-	7,575.10	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposit	-	-	-	-
(g) Other Loans (specify nature)	-	-	-	-
- Bank overdraft against Gold re-pledge - secured	439.97	-	-	-
- External commercial borrowings - secured	778.48	-	-	-
<b>2 Break-up of 1(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid) :</b>				
(a) In the form of Un-Secured 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	-	-	-	-



**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
ASSETS SIDE:	Amount Outstanding	Amount Outstanding
<b>3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		
(a) Secured	10,707.06	5,358.55
(b) Unsecured	7,387.05	14,932.86
<b>4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities :</b>		
<b>(i) Lease assets including lease rentals under sundry debtors:</b>		
(a) Financial lease	-	-
(b) Operating lease	-	-
<b>(ii) Stock on hire including hire charges under sundry debtors:</b>		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
<b>(iii) Other loans counting towards asset financing activities :</b>		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
<b>5 Breakup of Investments</b>		
<b>Current Investments :</b>		
<b>1. Quoted :</b>		
(i) Shares : (a) Equity	0.03	0.05
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	11.07
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>ASSETS SIDE:</b>	<b>Amount Outstanding</b>	<b>Amount Outstanding</b>
<b>2. Unquoted :</b>		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
<b>Long Term investments :</b>		
<b>1. Quoted :</b>		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
<b>2. Unquoted :</b>		
(i) Shares : (a) Equity	167.96	970.76
(b) Preference	206.68	170.01
(ii) Debentures and Bonds	71.00	25.00
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others - Units of Venture Capital Funds	5.12	5.12
- Units of AIF	20.00	-

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**6 Borrower group-wise classification of assets financed as in (3) and (4) above :**

Category	As at 31 March 2022			As at 31 March 2021		
	Amount net of provision			Amount net of provision		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	4,312.18	4,312.18	-	12,687.96	12,687.96
2. Other than related parties	10,198.12	2,809.78	13,007.90	5,070.72	1,945.29	7,016.02
<b>Total</b>	<b>10,198.12</b>	<b>7,121.96</b>	<b>17,320.08</b>	<b>5,070.72</b>	<b>14,633.26</b>	<b>19,704.98</b>

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

Category	As at 31 March 2022		As at 31 March 2021	
	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	-	-	852.80	852.80
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	508.50	508.50	405.53	405.53
<b>Total</b>	<b>508.50</b>	<b>508.50</b>	<b>1,258.33</b>	<b>1,258.33</b>

**8 Other information**

**(i) Gross Non-Performing Assets**

	Amount	Amount
(a) Related parties	-	-
(b) Other than related parties	2,195.37	1,986.89

**(ii) Net Non-Performing Assets**

	Amount	Amount
(a) Related parties	-	-
(b) Other than related parties	1,511.39	1,554.11

**(iii) Assets acquired in satisfaction of debt**

**FINKURVE FINANCIAL SERVICES LIMITED****Notes forming part of the Financial Statements for the year ended 31 March 2022****(All amounts in INR in Lakhs, unless otherwise stated)****43 Note on Covid**

The significant increase in economic activities post easing of lockdown by the state governments due to Covid-19 had resulted in improvement in business operations of the Company. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

**44 Registration of charges or satisfaction with Registrar of Companies (ROC)**

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended 31 March 2022 and 31 March 2021. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

**45 Event after reporting date**

There have been no events after the reporting date.

**46 Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31 March 2022 and 31 March 2021.

**47. Utilisation of Borrowed funds and share premium**

The Company, as part of its normal business, grants loans and advances, makes investment and obtains borrowings from bank and other entities. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**48 Compliance with approved Scheme(s) of Arrangements**

There is no any scheme of Arrangement or Amalgamation initiated or approved by the Board of Directors and / or Shareholders of the Company or competent authority during the year ended 31 March 2022 and 31 March 2021 or in earlier years.

**49 Undisclosed income**

There are no transactions which have not been recorded in the books of accounts.

**50** The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.**51 Title deeds of Immovable Properties not held in name of the Company**

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) during the financial year ended 31 March 2022 and 31 March 2021.



**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**52 Information about the Loans and Advances in the nature of loans to related parties**

Type of Borrower	As at 31 March 2022		As at 31 March 2021	
	Amount Outstanding	% of Total Loans	Amount Outstanding	% of Total Loans
Promoters	-	0.00%	-	0.00%
Directors	-	0.00%	-	0.00%
Key Managerial Person	-	0.00%	-	0.00%
Related Parties	4,212.44	23.28%	12,810.36	63.13%

**53 Analytical Ratios**

Particulars	As at 31 March 2022			As at 31 March 2021	% Variance	Reasons for variance (if above 25%)
	Numerator	Denominator	Ratio	Ratio		
Capital to risk-weighted assets ratio (CRAR)	13,057.91	15,505.32	84.22%	13.21%	538%	Increase in ratio due to reduction in loans
Tier I CRAR	12,967.87	15,505.32	83.63%	11.48%	628%	to related parties which were received in FY22
Tier II CRAR	90.05	15,505.32	0.58%	1.72%	-66%	Reduction on account of decrease in provisioning of standard assets due to decrease in AUM
Liquidity Coverage Ratio	(*)	(*)	(*)	(*)	(*)	(*)

(\*) The company have not accepted any deposit and do not have any obligation resulting into cash outflow in next 30 days hence, LCR is not applicable

**54 Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual currency during the current or preceding financial year.

**55 Details of Benami Property Held**

No proceedings have been initiated during the financial year or pending as at the end of the financial year against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**56 Wilful Defaulter**

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the current or preceding financial year.

**57 Relationship with Struck off Companies**

The Company have not entered into any transaction during the current or previous financial year with the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and there is no outstanding receivable from / payable to such companies as at the end of year.



**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Financial Statements for the year ended 31 March 2022**  
(All amounts in INR in Lakhs, unless otherwise stated)

**58 Liquidity risk**

Note 58: Public Disclosure on Liquidity Risk for the year ended 31 March 2022 pursuant to RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102 / 03.10.001 / 2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies :

**(i) Funding concentration based on significant counterparty (both deposits and borrowings)**

Particulars	Number of significant counterparties	Amount	% of Total deposits (*)	% of Total liabilities <sup>3</sup>
As at 31 March 2022	6	2,368.71	-	84.29%
As at 31 March 2021	5	7,575.10	-	96.10%

(\*) As the company have not accepted any deposits, % of total deposits is not applicable.

**(ii) Top 20 large deposits (amount in INR and % of total deposits)**

As the company have not accepted any deposits, same is not applicable.

**(iii) Top 10 borrowings (amount in INR and % of total borrowings)**

Name of Borrower	As at 31 March 2022		As at 31 March 2021	
	Amount	% of Total borrowings	Amount	% of Total borrowings
External commercial borrowing - INR	778.48	32.87%	-	0.00%
Borrowing from bank	439.97	18.57%	-	0.00%
Other Intercompany borrowing	1,150.26	48.56%	7,575.10	100.00%

**(iv) Funding concentration based on significant instrument/product**

Name of the instrument/product	As at 31 March 2022		As at 31 March 2021	
	Amount	% of Total liabilities	Amount	% of Total liabilities
Redeemable non-convertible debentures (secured and unsecured)	-	0.00%	-	0.00%
External commercial bond	-	0.00%	-	0.00%
Term loan from banks	-	0.00%	-	0.00%
Cash credit from banks	439.97	15.66%	-	0.00%
Term loan from financial institution / corporates	-	0.00%	-	0.00%
External commercial borrowing - INR	778.48	27.70%	-	0.00%
Other loans - Securitisation liabilities	-	0.00%	-	0.00%
Deposits	-	0.00%	-	0.00%
Subordinated debts	-	0.00%	-	0.00%
Other corporate borrowings	1,150.26	40.93%	7,575.10	96.10%

**(v) Stock ratios:**

Name of the instrument/product	As at 31 March 2022			As at 31 March 2021		
	% of Total public funds	% of Total liabilities	% of Total assets	% of Total public funds	% of Total liabilities	% of Total assets
Commercial papers	-	-	-	-	-	-
Non-convertible debentures (original maturity of less than one year)	-	-	-	-	-	-
Other short-term liabilities	60.24%	50.78%	7.67%	95.27%	91.56%	33.60%

**FINKURVE FINANCIAL SERVICES LIMITED****Notes forming part of the Financial Statements for the year ended 31 March 2022****(All amounts in INR in Lakhs, unless otherwise stated)****vi) Institutional set-up for liquidity risk management**

The ultimate responsibility for liquidity risk management rests with the Board of directors, which has established Asset and Liability Management Committee (ALCO) for the management of the Company's short, medium and long-term funding and liquidity management requirements. The ALCO meets regularly to review the liquidity position based on future cash flows. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Company also maintains adequate liquid assets, banking facilities and reserve borrowing facilities to hedge against unexpected requirements.

In order to achieve above, the Company also has an Investment Policy to ensure that safety, liquidity and return on the surplus funds are given appropriate weightages and are placed in that order of priority. The Investment Committee frames the strategy, sets the operational parameters and framework within the limits as may be set by the Board for investment. The Committee approaches the Board for revising the limits as and when required. The policy is also reviewed periodically in the background of developments in the money markets and the Investment Committee depending on the external factors proactively to reduce the risk in the investments. A well-defined front and back office mechanism is in place to ensure a system of checks and balances.

**Definition of terms as used in the table above:**

1) Significant counterparty is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC- NDSI's, NBFC-Ds total liabilities as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

2) Significant instrument/product is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities, as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

3) Total Liabilities has been computed as sum of all liabilities (Total of Balance Sheet less Total Equity).

4) Public funds include funds raised either directly or indirectly through public deposits, inter-corporate loan & deposits, deposits from corporates, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue, as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

5) Other short-term liabilities include all short-term borrowings other than Commercial papers (if any) and Nonconvertible debentures with original maturity less than one year (if any).

6) The amount stated in this disclosure is based on the audited financial statements.

Further Guidelines prescribed by Reserve Bank of India vide above circular on Maintenance of Liquidity Coverage Ratio (LCR) is applicable for all non-deposit taking NBFCs with asset size of Rs. 5,000 crore and above, and all deposit taking NBFCs irrespective of their asset size. As the Company is Non-Systematically Important, Non-Deposit Accepting NBFC, such guidelines are not applicable to Company.

**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Financial Statements for the year ended 31 March 2022  
(All amounts in INR in Lakhs, unless otherwise stated)**

**59 Disclosure of % of gold loan to total assets :**

Particulars	As at 31 March 2022	As at 31 March 2021
Gold Loan	5,074.67	547.41
Total Assets	18,615.09	21,476.72
% of gold loan to total assets	27.26%	2.55%

**60 Disclosure of Penalties imposed by RBI and other regulators**

**Details of Penalties levied by various regulators:**

No penalties have been levied by any regulator on the Company for the year ended 31 March 2022 and 31 March 2021.

61 The financial statements were approved for issue by the Board of Directors on 30 May 2022.

62 The previous year's figures have been recast / regrouped / rearranged wherever considered necessary to meet the requirements of Ind AS.

**As per our report of even date attached**

**For P. D. Saraf & Co**

Chartered Accountants

Firm Registration No : 109241W

Sd/-  
**N. L. Maheshwari**  
Partner

Membership No.: F - 11347

Place: Mumbai

Date: 30th May 2022

**For and on behalf of the Board of Directors  
of Finkurve Financial Services Limited**

Sd/-  
**Ketan Kothari**  
Director  
DIN: 00230725

Sd/-  
**Aakash Jain**  
Chief Financial  
Officer

Sd/-  
**Narendra Jain**  
Director  
DIN: 08788557

Sd/-  
**Sunny Parekh**  
Company Secretary  
M.No. ACS32611

## INDEPENDENT AUDITOR'S REPORT

To The Members of  
**Finkurve Financial Services Limited**

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Finkurve Financial Services Limited** (the "Parent" / the "Holding Company") and its subsidiary (the holding company and its subsidiary constitute "the Group") which comprise the consolidated Balance Sheet as at 31 March 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Change in Equity and the Consolidated Statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and, based on the separate unaudited financial statements of subsidiary as referred to in Other Matter Section below, the aforesaid Consolidated 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 ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31 March 2022, and their consolidated profits (including other comprehensive income), their consolidated change in equity and their consolidated cash flows for the year ended on that date.

### Basis of Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us along with the consideration of unaudited separate financial statements of subsidiary as referred to in Other Matters Section below is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.



### **Information other than the financial statements and auditors' report thereon**

The Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

If, based on the work we performed, we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regards.

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including Other Comprehensive Income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India.

The responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group and for preventing and detecting the frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the Companies included in the Group is responsible for overseeing the financial reporting process of each company.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of the separate unaudited financial statements of subsidiary as referred to in Other Matters Section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

#### **Other Matter**

The accompanying consolidated financial statements include the unaudited financial statements of Arvog Forex Private Limited (formerly known as Supama Forex Private Limited). As mentioned in para (A) and para (B)(a) of note no 1, during the year, the company have sold its entire investments held in the equity shares of Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) resulting into Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) ceases to be its subsidiary effective from 11<sup>th</sup> February 2022. The consolidated financial statements includes and have been prepared on the basis of unaudited financial statements of such company prepared upto the date of it being subsidiary i.e. 10<sup>th</sup> February 2022 and furnished to us by the management. The unaudited financial statements of such company for the period ended 10<sup>th</sup> February 2022 reflect total revenues from operation of Rs. 1,369.64 lakhs, total net loss after tax of Rs. (-) 79.05 lakhs and total comprehensive income / (loss) of Rs. (-) 79.05 lakhs as considered in the consolidated financial statement. These unaudited financial statements for the period ended 10<sup>th</sup> February 2022 have been prepared and furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relate to the amounts and disclosure included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in-so-far as it relates to aforesaid subsidiary, is based solely on such unaudited financial statements.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the unaudited financial statements of subsidiary as certified by the Management..

#### **Report on other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, based on our audit and on the consideration of unaudited separate financial statements of subsidiary as  
furnished to us by the management, as referred to in the Other Matters Section above, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Change in Equity and Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors of the Holding Company as on 31 March, 2022, taken on record by the Board of Directors of the Holding Company none of the directors is disqualified as on 31 March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our report in "Annexure A".
- g) As required by section 197(16) of the Act, in our opinion and according to the information and explanations given to us and based on unaudited financial statements of subsidiary company incorporated in India furnished to us by the management, we report that the Holding Company, and its subsidiary company covered under the Act, paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 of the Act read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of 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) There were no pending litigations which would impact the consolidated financial position of the Group materially (refer note no 28 of the consolidated financial statements);
  - ii) The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

- iv) (a) The respective Management of the Company and its subsidiary has represented that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Management of the Company and its subsidiary has represented, that, to the best of their knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the group from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
2. As the Consolidated Financial Statements includes the unaudited financial statements of subsidiary as provided in Other Matter Section above, the reporting with respect to the matters specified in paragraphs 3(xxii) of the Companies (Auditor’s Report) Order, 2020 (the “Order”) issued by the

Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report is not applicable.

**For P. D. Saraf & Co.**  
Chartered Accountants  
(Firm Registration No. 109241W)

**SD/-**  
**(N. L. Maheshwari)**  
Partner  
M. No. F-11347  
UDIN: 22011347AJZEGF1192  
Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

### **Annexure A to the Independent Auditors' Report**

Referred to as Annexure 'A' in paragraph 1(f) under 'Report on other Legal and Regulatory Requirements' section of our Report of even date to the members of **Finkurve Financial Services Limited** on the consolidated financial statement for the year ended on 31 March, 2022.

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

We have audited the internal financial controls over financial reporting of **Finkurve Financial Services Limited** ("the Holding Company") and its subsidiary companies which are incorporated in India, as on 31<sup>st</sup> March, 2022 in conjunction with our audit of the consolidated financial statements of the Company for the year ended and as on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company and its subsidiary company incorporated in India, are 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 ("the Guidance Note"). 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 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 over financial reporting. Those Standards and the Guidance Note require that we comply with the 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 consolidated 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls 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 Holding Company have, 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 31 March 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. The Consolidated Financial Statements includes the unaudited financial statements of subsidiary company as prepared and submitted to us by the management.

### **Other Matter**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to its subsidiary company incorporated in India, is based on the unaudited financial statements of such subsidiary company incorporated in India whose financial statements for the period ended 10<sup>th</sup> February 2022 have been prepared and submitted to us by the management.

### **For P. D. Saraf & Co.**

Chartered Accountants  
(Firm Registration No. 109241W)

**SD/-**

**(N. L. Maheshwari)**

Partner

M. No. F-11347

UDIN: 22011347AJZEGF1192

Place: Mumbai

Date: 30<sup>th</sup> May, 2022

**FINKURVE FINANCIAL SERVICES LIMITED**

**Consolidated Balance Sheet as at 31st March 2022**

(All amounts in INR in Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
<b>I. ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	2 (a)	263.11	1,024.13
(b) Bank Balance other than above	2 (b)	-	464.12
(c) Receivables	3		
(i) Trade receivables		-	77.89
(d) Loans	4	17,320.08	19,955.23
(e) Investments	5	508.50	420.09
(f) Other financial assets	6	197.02	68.79
<b>Total financial assets</b>		<b>18,288.71</b>	<b>22,010.24</b>
<b>(2) Non Financial Assets</b>			
(a) Current tax assets (net)	7	75.49	57.06
(b) Deferred tax assets (net)	25 (c)	147.03	171.91
(c) Property, plant and equipment	8(a)	38.08	59.69
(d) Right of use assets	30	22.51	118.35
(e) Other intangible assets	8(b)	1.65	13.17
(f) Other non financial assets	9	41.62	44.55
<b>Total non-financial assets</b>		<b>326.37</b>	<b>464.72</b>
<b>TOTAL ASSETS</b>		<b>18,615.09</b>	<b>22,474.96</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>(1) Financial liabilities</b>			
(a) Payables			
(i) Trade payables	10		
(i) Total outstanding dues of micro enterprises and small enterprises		9.19	9.16
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		141.86	116.84
(b) Borrowings (Other than debts securities)	11	2,368.71	7,618.88
(c) Lease liabilities	30	32.92	139.07
(d) Other financial liabilities	12	180.22	84.65
<b>Total financial liabilities</b>		<b>2,732.89</b>	<b>7,968.60</b>
<b>(2) Non financial liabilities</b>			
(a) Current tax liabilities (net)	13	-	110.50
(b) Provisions	14	11.13	4.47
(c) Other non-financial liabilities	15	66.23	390.14
<b>Total non financial liabilities</b>		<b>77.35</b>	<b>505.12</b>
<b>Total liabilities</b>		<b>2,810.24</b>	<b>8,473.72</b>
<b>(3) Equity</b>			
(a) Equity share capital	16	1,268.58	1,268.58
(b) Other equity	17	14,536.26	12,513.29
<b>Equity attributable to owners of the Company</b>		<b>15,804.84</b>	<b>13,781.87</b>
Non-controlling interests		-	219.37
<b>Total equity</b>		<b>15,804.84</b>	<b>14,001.24</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>18,615.09</b>	<b>22,474.96</b>

Significant accounting policies and other explanatory information

1 - 59

As per our report of even date attached

For P. D. Saraf & Co

Chartered Accountants

Firm Registration No : 109241W

Sd/-

**N. L. Maheshwari**

Partner

Membership No.: F - 11347

Place: Mumbai

Date: 30th May 2022

For and on behalf of the Board of Directors

of Finkurve Financial Services Limited

Sd/-

**Ketan Kothari**

Director

DIN: 00230725

Sd/-

**Aakash Jain**

Chief Financial

Officer

Sd/-

**Narendra Jain**

Director

DIN: 08788557

Sd/-

**Sunny Parekh**

Company Secretary

M.No. ACS32611

**FINKURVE FINANCIAL SERVICES LIMITED**
**Consolidated Statements Profit & Loss for the year ended 31 March 2022**
**(All amounts in INR in Lakhs, unless otherwise stated)**

Particulars	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
<b>Revenue from operations</b>	18		
(i) Interest income on financial assets measured at amortised cost		1,902.73	1,955.81
(ii) Income from forex services		1,282.82	642.38
(iii) Fees and commission income		361.23	-
(iv) Net gain on fair value change		23.60	167.46
(v) Net gain on sale of Investments in subsidiary carried at cost		1,986.61	-
(vi) Other operation income		97.87	35.15
<b>(I) Total Revenue from operations</b>		<b>5,654.86</b>	<b>2,800.80</b>
(II) Other income	19	61.76	61.81
<b>(III) Total income (I + II)</b>		<b>5,716.62</b>	<b>2,862.60</b>
<b>Expenses:</b>			
(i) Finance costs	20	341.56	703.01
(ii) Fees and commission expenses		1,473.64	412.74
(iii) Net loss on fair value changes	21	70.66	22.51
(iv) Impairment on financial instruments	22	184.58	445.37
(v) Employee benefits expenses	23	561.54	318.76
(vi) Depreciation, amortisation and impairment	24	74.37	85.51
(vii) Other expenses	25	523.09	233.64
<b>(IV) Total expenses</b>		<b>3,229.45</b>	<b>2,221.54</b>
<b>(V) Profit before exceptional items and tax (III - IV)</b>		<b>2,487.17</b>	<b>641.06</b>
<b>(VI) Exceptional items</b>		-	-
<b>(VII) Profit before tax (V - VI)</b>		<b>2,487.17</b>	<b>641.06</b>
<b>(VIII) Share of profit/(loss) of associates</b>		-	(9.10)
<b>(IX) Profit before tax (VII + VIII)</b>		<b>2,487.17</b>	<b>631.96</b>
<b>(X) Tax expense</b>	26		
(i) Current tax		533.00	253.60
(ii) Deferred tax		(18.45)	(74.35)
(iii) Tax adjustment for earlier years		(0.61)	(0.84)
<b>(XI) Profit for the year (IX - X)</b>		<b>513.93</b>	<b>178.41</b>
<b>(XII) Other comprehensive income</b>			
A. Items that will not be reclassified to profit or loss - Income / (Expenses)			
(i) Remeasurement of the defined benefit plans		(2.73)	-
(ii) Income tax on remeasurement of the defined benefit plans		0.69	-
<b>other comprehensive income for the year</b>		<b>(2.05)</b>	<b>-</b>
<b>(XIII) Total comprehensive income for the year (XI + XII)</b>		<b>1,971.19</b>	<b>453.55</b>
<b>(XIV) Total profit attributable to</b>			
- Owners of the Company		1,972.09	457.94
- Non - controlling interest		1.14	(4.39)
<b>(XV) Other comprehensive income attributable to</b>			
- Owners of the Company		(2.05)	-
- Non - controlling interest		(0.00)	-
<b>(XVI) Total comprehensive income attributable to</b>			
- Owners of the Company		1,970.04	457.94
- Non - controlling interest		1.14	(4.39)
<b>(XVII) Earnings per equity share : (Face value of INR 1 per equity share)</b>	27		
Basic (INR)		1.55	0.36
Diluted (INR)		1.55	0.36

**Significant accounting policies and other explanatory information**
**1 - 59**
**As per our report of even date attached**
**For P. D. Saraf & Co**

Chartered Accountants

Firm Registration No : 109241W

Sd/-

**N. L. Maheshwari**

Partner

Membership No.: F - 11347

Place: Mumbai

Date: 30th May 2022

**For and on behalf of the Board of Directors  
of Finkurve Financial Services Limited**

Sd/-

**Ketan Kothari**

Director

DIN: 00230725

Sd/-

**Aakash Jain**

Chief Financial

Officer

Sd/-

**Narendra Jain**

Director

DIN: 08788557

Sd/-

**Sunny Parekh**

Company Secretary

M.No. ACS32611

**FINKURVE FINANCIAL SERVICES LIMITED**  
**Consolidated Statement of changes in equity for the year ended 31 March 2022**  
**(All amounts in INR in Lakhs, unless otherwise stated)**

**A. Equity share capital**

**1) Current reporting period**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
As at 31 March 2021	-	1,268.58	-	As at 31 March 2022 1,268.58

**2) Previous reporting period**

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
As at 31 March 2020	-	1,268.58	-	As at 31 March 2021 1,268.58

**B. Other Equity**

**1) Current reporting period**

Particulars	Capital Reserve	Securities premium	Reserves and Surplus			Retained Earning	Share based payment reserve	Other Comprehensive Income	Total
			General reserve	Statutory reserve as per section 45-IC of the RBI Act, 1934					
Balance at the beginning of the current reporting period (as at 31 March 2021)	21.05	11,092.78	0.78	254.30	1,144.38	-	-	12,513.29	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	
Restated balance at the beginning of the current reporting period	21.05	11,092.78	0.78	254.30	1,144.38	-	-	12,513.29	
Profit for the year	-	-	-	-	1,972.09	-	-	1,972.09	
Other comprehensive income for the year	-	-	-	-	-	-	(2.05)	(2.05)	
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>1,972.09</b>	-	<b>(2.05)</b>	<b>1,970.04</b>	
Share Based Payment expenses	-	-	-	-	(432.18)	51.40	-	51.40	
Transfer to statutory reserve	-	-	-	432.18	-	-	-	-	
On Further acquiring of shares of subsidiary	1.53	-	-	-	-	-	-	1.53	
On Sale of entire shareholding of Subsidiary	(22.58)	-	-	-	22.58	-	-	-	
<b>Balance at the end of the current reporting period (as at 31 March 2022)</b>	-	<b>11,092.78</b>	<b>0.78</b>	<b>686.48</b>	<b>2,706.86</b>	<b>51.40</b>	<b>(2.05)</b>	<b>14,536.26</b>	



2) Previous reporting period

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities premium	General reserve	Statutory reserve as per section 45-1C of the RBI Act, 1934	Retained Earning	Share based payment reserve	
Balance at the beginning of the previous reporting period (as at 31 March 2020)	21.05	11,092.78	0.78	164.15	776.59	-	12,055.35
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	21.05	11,092.78	0.78	164.15	776.59	-	12,055.35
Profit for the year	-	-	-	-	457.94	-	457.94
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	457.94	-	457.94
Share Based Payment expenses	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	90.16	(90.16)	-	-
Balance at the end of the previous reporting period (as at 31 March 2021)	21.05	11,092.78	0.78	254.30	1,144.38	-	12,513.29

Significant accounting policies and other explanatory information

1 - 59

As per our report of even date attached

For P. D. Saraf & Co

Chartered Accountants

Firm Registration No : 109241W

For and on behalf of the Board of Directors  
of Finkurve Financial Services Limited

N. L. Maheshwari

Partner

Membership No. : F - 11347

Ketan Kothari

Director

DIN: 00230725

Narendra Jain

Director

DIN: 08788557

Place: Mumbai  
Date: 30th May 2022

Aakash Jain  
Chief Financial  
Officer

Sunny Parekh  
Company Secretary  
M.No. ACS32611

**FINKURVE FINANCIAL SERVICES LIMITED**

**Consolidated Statement of cash flow the year ended 31 March 2022**

(All amounts in INR in Lakhs, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>A. Cash flow from operating activities</b>		
Net Profit before tax	2,487.17	631.96
<b>Adjustments for:</b>		
Depreciation	35.49	31.27
Amortisation of Right of Use	38.88	54.24
Bad Debts	-	7.25
Gratuity to employees	3.92	4.47
Finance Cost - borrowings	326.31	677.65
Interest on lease liabilities	15.25	25.37
Impairment on financial instruments	184.58	445.37
Fair value of Financial assets - Investments (unrealised)	43.06	(146.56)
Fair value of Financial assets - Investments (realised)	(7.73)	22.51
Profit on sale of Investments in subsidiary carried at cost	(1,986.61)	-
Unwinding of Interest on security deposit	(0.46)	(0.14)
Share based payments to employees	51.40	-
Interest Income	(23.19)	(38.95)
Dividend Income	(0.01)	(0.51)
Share of Loss from LLP	-	9.10
Interest on income tax refunds	-	(2.36)
<b>Operating profit before working capital changes</b>	<b>1,168.06</b>	<b>1,720.68</b>
<b>Adjustments for:</b>		
Decrease/(Increase) in Loans given	2,197.31	(1,091.63)
Decrease/(Increase) in trade receivable	-	152.99
Decrease/(Increase) in bank deposits	-	(265.78)
Decrease/(Increase) in other financial assets	(157.91)	26.37
Decrease/(Increase) in other non financial assets	(2.24)	(24.73)
Increase/(Decrease) in payables	116.34	63.49
Increase/(Decrease) in other financial Liabilities	122.37	-
Increase/(Decrease) in other non financial Liabilities	14.40	28.55
<b>Cash generated from operations</b>	<b>3,458.33</b>	<b>609.94</b>
Direct Taxes paid (net of refunds)	(679.01)	(188.47)
<b>Net Cash generated from/ (used in) operating activities (A)</b>	<b>2,779.32</b>	<b>421.47</b>
<b>B. Cash flow from investment activities</b>		
Purchase of Investments	(2,021.57)	(1,118.41)
Proceeds from sale of Investments	1,665.11	1,058.99
Proceeds from sale of subsidiary, net of cash	2,415.00	-
Purchase of property, plants and equipments	(45.97)	(21.84)
Interest income	0.84	38.95
Dividend income	0.00	0.51
<b>Net cash generated from/ (used in) investment activities (B)</b>	<b>2,013.42</b>	<b>(41.81)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds/(Repayment) from/of borrowings (other than debts securities) (Net)	(5,206.39)	296.40
Payment of lease liabilities	(21.05)	(59.23)
Interest Paid on Borrowings	(326.31)	(677.65)
<b>Net cash generated from/ (used in) financing activities (C)</b>	<b>(5,553.76)</b>	<b>(440.48)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(761.01)</b>	<b>(60.83)</b>
Cash and cash equivalents at beginning of the year	1,024.13	1,084.96
<b>Cash and cash equivalents at the end of the year</b>	<b>263.11</b>	<b>1,024.13</b>
<b>Components of cash and cash equivalents</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>Cash and cash equivalents at the end of the year</b>		
i) Cash on hand	1.27	89.62
ii) Balances with banks (of the nature of cash and cash equivalents)	261.85	325.91
iii) Foreign currency in hand	-	608.60
	<b>263.11</b>	<b>1,024.13</b>

**Significant accounting policies and other explanatory information**

1 - 59

**Notes:**

- The above Consolidated Statement of Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.
- During the year, the group has incurred an amount of Rs. 10.74 Lakhs in cash (31 March 2021: Rs. 6.20 Lakhs) towards corporate social responsibility (CSR) expenditure (Refer note 28).

**As per our report of even date attached**

**For P. D. Saraf & Co**

Chartered Accountants

Firm Registration No : 109241W

Sd/-  
**N. L. Maheshwari**

Partner

Membership No.: F - 11347

Place: Mumbai

Date: 30th May 2022

**For and on behalf of the Board of Directors  
of Finkurve Financial Services Limited**

Sd/-  
**Ketan Kothari**  
Director

DIN: 00230725

Sd/-  
**Aakash Jain**  
Chief Financial  
Officer

Sd/-  
**Narendra Jain**  
Director

DIN: 08788557

Sd/-  
**Sunny Parekh**  
Company Secretary  
M.No. ACS32611

**FINKURVE FINANCIAL SERVICES LIMITED****Notes forming part of the Financial Statements for the year ended 31 March 2022****(All amounts in INR in Lakhs, unless otherwise stated)****(1) Corporate Information and Significant Accounting Policies****A Corporate Informations:**

Finkurve Financial Services Limited ('the Parent Company'), formerly known as Sanjay Leasing Limited was incorporated in the year 1984. The company is registered as Non - Deposit Accepting Non - Banking Financial Company (NBFC) as defined under section 45-IA of the Reserve Bank of India Act, 1934 and was issued registration certificate by Reserve Bank of India on 9th March 1998. Since then, the company is carrying on the business activity of NBFC. The Equity shares of the company are listed on Bombay Stock Exchange Limited (BSE)

The consolidated financial statements comprise the financial statements of Finkurve Financial Service Limited (the Parent Company) and its subsidiary Arvog Forex Private Limited (formerly known as Supama Forex Private Limited). The subsidiary company is located in India.

Pursuance to the resolution passed by the Board of Directors, during the year, the Company have acquired balance 1,47,000 (one lakh fourty seven thousand) i.e. 16.80% equity shares of Arvog Forex Private Limited (formerly known as Supama Forex Private Limited), a material subsidiary company resulting into Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) became 100% subsidiary of company.

Subsequently, pursuance to the special resolution passed by the members of the company in annual general meeting held on 20 September 2021, the Board of Directors have entered into agreement with Revolut Payments India Private Limited for disinvestments and sale of 8,75,000 (eight lakh seventy five thousands) i.e. 100% equity shares of Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) held by the Company. The transaction have been completed during the year and hence, Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) ceases to be subsidiary of the Company with effective from 11 February 2022.

**B Summary of Significant Accounting Policies****(a) Statement of compliance and basis of preparation and presentation of consolidated financial statements**

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules as amended and notified under section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other provision of the Act.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Balance sheet and Statement of Profit & Loss are prepared and presented in accordance with the format prescribed in the Division III to Schedule III to the Act applicable for Non Banking Finance Companies (NBFC).

**Consolidation Procedures:**

- (a) Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the Parent's investment in the subsidiary and the Parent's portion of equity of the subsidiary. Business combinations policy explains how to account for any related goodwill.
- © Eliminate in full intra-group assets and liabilities, equity, income, expenses and Cash flows relating to transactions between entities of the group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipment (PPE), are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

(d) Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

(e) As mentioned in para (A) - "Corporate Information" above, the Company have sold its entire, 100% investments held in the equity shares of the only subsidiary company, M/s Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) resulting into the subsidiary, Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) ceases to be subsidiary of the Company with effective from 11 February 2022.

The consolidated financial statements have been prepared on the basis of un-audited financial statements of subsidiary, Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) prepared upto the period ended 10th february 2022 and effect of ceasation of subsidiary w.e.f. 11th february 2022 have been given in the consolidated financial statement in accordance with Indian Accounting Standards (IndAS) - 110 "Consolidated Financial statements".

The transaction of disinvestments have been completed during the year and on this sale transaction, the Company have recognised a pre-tax profit of Rs. 1,986.61 lakhs on a consolidated basis and the same has been disclosed under the revenue in the statement of profit and loss for the year ended 31 March 2022.

**(b) Functional and presentation currency**

The financial statements are presented in Indian Rupees [INR or Rs], the functional currency of the Group.

**(c) Basis of Measurement**

The financial statements of the Group are prepared on the accrual basis of accounting and historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

(i) Certain financial assets and liabilities are measured at Fair value (Refer note no. (h) and (l) below)

**(d) Use of Estimates and Judgements**

The preparation of the financial statements requires the Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

**Defined employee benefit assets and liabilities**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

**Fair value measurement**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**Share based payment transactions**

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk free interest rate (based on government bonds).

**Estimation of uncertainties relating to the global health pandemic from COVID-19:**

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipments, investments, receivables, and other financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information. There is no material adverse impact of COVID - 19 pandemic on the Group and its operations/profitability during the financial year ended 31 March 2022 and also during the financial year ended 31 March 2021.

**(e) Property, plant and equipment (PPE)**

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure and subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and that the cost of the item can be reliably measured.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”.

**(f) Intangible assets**

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in statement of profit and loss as incurred.

**(g) Depreciation and Amortisation****Tangible assets**

Depreciation has been provided on Written Down Value basis and in accordance with, Method and useful life prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

**Intangible assets**

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. The amortisation period and the amortisation method for finite life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

**(h) Financial assets - Initial recognition:**

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instruments.

**Initial Recognition and Measurement – Financial Assets and Financial Liabilities**

All Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

**Classification and Subsequent Measurement: Financial Assets**

The Group classifies financial assets as subsequently measured at amortized cost, fair value through Other Comprehensive Income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- (a) the entity’s business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.



**Amortised Cost:**

A financial asset is classified and measured at amortized cost if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Fair Value Through Other Comprehensive Income (FVTOCI):**

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Fair Value Through Profit or Loss (FVTPL) :**

A financial asset is classified and measured at FVTPL unless it is measured at amortized cost or at FVTOCI.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

**Equity Instruments:**

Investment in equity instruments are generally accounted for as at fair value through the statement of profit and loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income. Such classification is determined on an instrument-by-instrument basis. Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to statement of profit and loss.

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income' line item.

**Impairment**

The Group recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Group's Loans and trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Group does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Group recognises 12 months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

**De-recognition**

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement.

In that case, the Group 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 Group has retained.

### **(I) Financial Liabilities**

#### **Initial Recognition and measurement**

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Group's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

#### **Subsequent measurement :**

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### **Loans & Borrowings :**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

#### **Financial Guarantee Contracts :**

Financial guarantee contracts issued by the Group are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

#### **De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### **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.

### **(j) Fair Value Measurement**

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**(k) Cash & Cash Equivalents**

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

**(l) Foreign exchange transactions & translations****Initial Recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

**Measurement of Foreign Currency Items at the Balance Sheet Date**

Foreign currency monetary items of the Group are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

**(m) Revenue Recognition:****Effective Interest rate method**

Interest income is recognised in Statement of profit & loss using effective interest rate method for all financial instruments at amortised cost, debt instrument measured at FVOCI and debt instrument designated at FVTPL. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

Calculation of effective interest includes transaction cost and fees that are an integral part of the contract. Transaction cost include incremental cost that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as positive or negative adjustment to the carrying amount of the asset, in the balance sheet, with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the Statement of profit and loss.

**Interest**

The Group calculates interest income related to financing business by applying the Effective Interest Rate Method (EIR) to the gross carrying amount of financial asset other than credit-impaired assets.

When a financial asset becomes credit- impaired, the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit impaired, the Group reverts to calculating interest income on a gross basis.

**Subvention Income**

Subvention income received at the inception of the loan contracts which is directly attributable to individual loan contracts in respect of education loan is recognized in the Statement of profit and loss using the effective interest method over the tenor of such loan contracts measured at amortized cost.

**Fees and commission income**

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

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

**Dividend**

Dividend Income is recognized when right to receive the same is established and shown as part of investment and dividend income.

**Rental Income**

Rental Income is recognised in the statement of profit & loss as per contractual rentals unless another systematic basis is more representative of the time pattern.

**Gain on sale of investment/Redemption of Mutual funds**

On disposal of an Investment, the difference between the carrying amount and net disposal proceeds is charged or credited to the profit and loss statement.

**(n) Taxes on Income**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Group offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely that the assets will not be realised in the future.

The carrying amount of deferred income 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 income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized 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 items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**(o) Borrowing Cost:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

**(p) Earnings per shares**

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

**(q) Finance Cost**

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Financial instruments include bank borrowing, intercorporate loans, external commercial borrowing and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

Effective from 1 April 2019, on application of Ind AS 116 (Leases), interest expense on lease liabilities computed by applying the Group's weighted average incremental borrowing rate has been included under finance costs.

**® Securities issue expenses**

Expenses incurred in connection with fresh issue of Share capital are adjusted against Securities premium reserve.

**(s) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

**(t) Leases**

The Group's lease asset classes primarily consist of leases for building for offices. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (a) the contract involves the use of an identified asset
- (b) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (c) the Group has the right to direct the use of the asset.

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

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

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**(u) Employee Benefits:**

The Group has provided following post-employment plans:

- (a) Defined benefit plans such as gratuity and
- (b) Defined contribution plans such as Provident fund

**a) Defined-benefit plan:**

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

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

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest

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



Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial (gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Group determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

**b) Defined-contribution plan:**

Under defined contribution plans, provident fund, the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Group's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

**(c) Employee stock options :**

Equity-settled share-based payments to employees are recognized as an expense at the fair value of equity stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the graded vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Group revises its estimate of number of equity shares expected to vest. The impact of the revision of the original estimates, if any, is recognized in the statement of profit and loss such that cumulative expenses reflect the revision estimate, with a corresponding adjustments to the employee stock option reserve.

**(v) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.

**(w) Goods and services tax input credit**

Goods and services tax input credit asset is recognised in the books of accounts in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits.

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or charged to revenue separately, as applicable. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**(x) Cash flow Statement**

Cash flows are reported under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Group.

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**8(a). Property, plant and equipment :**

Particulars	Premises	Motor Vehicles (*)	Computers	Furniture and Fixtures	Office Equipment	Total
<b>Gross block</b>						
<b>Balance as at 31 March 2020</b>	<b>10.47</b>	<b>4.54</b>	<b>29.83</b>	<b>45.15</b>	<b>23.68</b>	<b>113.65</b>
Additions	-	-	2.48	0.59	4.32	7.38
Disposals	(0.20)	-	(0.29)	(0.04)	-	(0.53)
<b>Balance as at 31 March 2021</b>	<b>10.27</b>	<b>4.54</b>	<b>32.02</b>	<b>45.69</b>	<b>27.99</b>	<b>120.51</b>
Additions	-	43.27	3.20	0.32	2.06	48.84
Disposals	-	-	-	-	-	-
Deduction on De-Consolidation of Subsidiary	(10.27)	(2.95)	(22.52)	(45.71)	(26.34)	(107.78)
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>44.86</b>	<b>12.69</b>	<b>0.31</b>	<b>3.71</b>	<b>61.57</b>
<b>Accumulated depreciation</b>						
<b>Balance as at 31 March 2020</b>	<b>0.99</b>	<b>1.62</b>	<b>14.97</b>	<b>13.82</b>	<b>6.65</b>	<b>38.05</b>
Charge for the year	0.45	0.43	7.93	7.12	6.84	22.77
Disposals	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>1.45</b>	<b>2.05</b>	<b>22.90</b>	<b>20.94</b>	<b>13.49</b>	<b>60.82</b>
Charge for the year	0.12	10.91	5.12	4.85	4.60	25.61
Disposals	-	-	-	-	-	-
Deduction on De-Consolidation of Subsidiary	(1.57)	(1.48)	(17.99)	(25.58)	(16.33)	(62.94)
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>11.48</b>	<b>10.03</b>	<b>0.21</b>	<b>1.77</b>	<b>23.49</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>8.82</b>	<b>2.49</b>	<b>9.12</b>	<b>24.75</b>	<b>14.50</b>	<b>59.69</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>-</b>	<b>33.38</b>	<b>2.66</b>	<b>0.09</b>	<b>1.95</b>	<b>38.08</b>

The Group has not revalued any of its property, plant and equipment during the years ended 31 March 2022 and 31 March 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

(\*) Motor car purchased during the year is held in the name of director of the group.

**8(b). Other intangible assets**

Particulars	Software
<b>Gross block</b>	
<b>Balance as at 31 March 2020</b>	<b>13.78</b>
Additions	14.99
Disposals	-
<b>Balance as at 31 March 2021</b>	<b>28.77</b>
Additions	10.00
Disposals	-
Deduction on De-Consolidation of Subsidiary	(32.36)
<b>Balance as at 31 March 2022</b>	<b>6.41</b>
<b>Accumulated depreciation</b>	
<b>Balance as at 31 March 2020</b>	<b>7.10</b>
Charge for the year	8.50
Disposals	-
<b>Balance as at 31 March 2021</b>	<b>15.60</b>
Charge for the year	9.88
Disposals	-
Deduction on De-Consolidation of Subsidiary	(20.72)
<b>Balance as at 31 March 2022</b>	<b>4.76</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>13.17</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>1.65</b>

The Group has not revalued any of its intangible assets during the years ended 31 March 2022 and 31 March 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2022**

(All amounts in INR in Lakhs, unless otherwise stated)

**2 (a) Cash and cash equivalents**

Cash on hand	
Balances with banks (of the nature of cash and cash equivalents)	
Foreign currency in hand	

As at 31 March 2022	As at 31 March 2021
1.27	89.62
261.85	325.91
-	608.60
<b>263.11</b>	<b>1,024.13</b>

**2 (b) Bank Balance other than Cash and cash equivalents**

Term Deposit with original maturity for more twelve months	
--	--

As at 31 March 2022	As at 31 March 2021
-	464.12
<b>-</b>	<b>464.12</b>

Fixed deposit with banks earns interest at fixed rate.

**3 Receivables**

Trade receivables considered good - secured	
Trade receivables considered good - unsecured	
Trade receivables which have significant increase in credit risk	
Trade receivables-credit impaired	

As at 31 March 2022	As at 31 March 2021
-	-
-	83.89
-	-
-	-
<b>Gross</b>	<b>83.89</b>
Less: Expected Credit Losses *	(6.00)
<b>Net trade receivables</b>	<b>77.89</b>

**Trade receivables ageing**

As at 31 March 2022

Particulars	Not Due for payment	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables-considered good	-	-	-	-	-	-	-
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-

As at 31 March 2021

Particulars	Not Due for payment	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables-considered good	-	31.98	25.94	21.57	-	4.41	<b>83.89</b>
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	<b>31.98</b>	<b>25.94</b>	<b>21.57</b>	-	<b>4.41</b>	<b>83.89</b>

There are no dues from directors or other officers of the Group or any firm or private company in which any director is a partner, a director or a member.

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
<b>4 Loans (at amortized cost) :</b>		
a) Loans repayable on demand	3,317.35	4,438.50
Term Loans	10,564.32	3,063.36
Others- to related parties (refer note no. 32 and 49)	4,212.44	13,040.81
Total (Gross)	18,094.11	20,542.67
Less: Expected credit loss allowance *	(774.03)	(587.44)
<b>Total (net)</b>	<b>17,320.08</b>	<b>19,955.23</b>
b) Secured by tangible assets	10,707.06	5,358.55
Unsecured	7,387.05	15,184.12
Total (Gross)	18,094.11	20,542.67
Less: Expected credit loss allowance *	(774.03)	(587.44)
<b>Total (net)</b>	<b>17,320.08</b>	<b>19,955.23</b>
c) Loans outside India	-	-
<b>Loans in India</b>		
Public sector	-	-
Other		
Retail	7,435.67	952.89
Corporates	10,658.44	19,589.78
Total (Gross)	18,094.11	20,542.67
Less: Expected credit loss allowance *	(774.03)	(587.44)
<b>Total (net)</b>	<b>17,320.08</b>	<b>19,955.23</b>

**\* Loss Allowance (on receivables and loans)**

	As at 31 March 2022	As at 31 March 2021
Opening Balance	593.44	148.07
Add: Loss allowance recognised during the year	184.58	445.37
Less: - Deduction on De-Consolidation of Subsidiary	(4.00)	-
<b>Closing Balance</b>	<b>774.03</b>	<b>593.44</b>

Note: There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL

5 Investments	As at 31 March 2022		As at 31 March 2021	
	Nos.	Amount	Nos.	Amount
<b>Equity Instruments, Quoted, fully paid up</b>				
<b>Fair Valued through Profit &amp; Loss :</b>				
ANG Industries Limited	-	-	1,000	0.10
Cochin shipyard Limited	-	-	1,000	3.75
Dewan Housing Finance Corporation Limited	-	-	1,000	0.16
Fortis Healthcare Limited	-	-	3,000	5.97
GFL Limited	-	-	620	0.51
Istreet Network Limited	-	-	5,000	0.06
IVRCL Limited	-	-	5,000	0.10
Kwality Limited	-	-	10,000	0.21
Manpasand Beverages Limited	-	-	5,000	0.31
Orbit Corporation Limited	-	-	45	0.00
Reliance Broadcast Networks Limited	-	-	1,500	0.08
Reliance Media Works Limited	-	-	2,125	0.11
Reliance Power Limited	-	-	875	0.04
Yes Bank Limited	-	-	15,000	2.34
Zenith Birla India Limited	-	-	5,000	0.03
Zicom Limited	-	-	48,730	0.78
Indian Oil Corporation Limited	10	0.01	25	0.02
NTPC Limited	25	0.03	25	0.03
<b>Unquoted Equity Shares, Fully paid up :-</b>				
<b>Fair Valued through Profit &amp; Loss</b>				
Rupee Co-op. Bank Limited (Face Value Rs. 10/- each)	-	-	100	0.01
		<b>0.05</b>		<b>14.61</b>

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**Others**

**Equity shares, unquoted, carried at fair value through Profit and Loss (fully paid up)**

SumHR Software Private Limited	1	0.10	1	0.00
Blu-Smart Mobility Private Limited (Formerly known as Gensol Mobility Private Limited)	2,439	26.84	2,439	3.86
Gajju Technologies Private Limited	212	146.07	212	208.26
Visionary Financepeer Private Limited	212	3.18	212	17.18
Bliss Dairy Fresh Private Limited	150,000	19.61	150,000	27.00
NetAmbit Valuefirst Services Private Limited	758	0.08	758	0.08
Elysium Labs Private Limited	36	-	36	10.00
Beauty By Bie Private Limited	27	25.00	-	-
Vyapaar Vistar Tech Private Limited	625	10.00	-	-
Credit Wise Capital Private Limited	69,348	15.00	-	-
Genius Learning Labs Private Limited	10	0.00	-	-
			<b>245.88</b>	<b>266.38</b>

**Preference shares (Unquoted, fully paid up)**

[Carried at fair value through Profit & Loss]

**Compulsory convertible preference shares (CCPS)**

0.001%, CCPS of Dhruva Space Private Limited of Rs 10/- each	55	10.03	55	10.03
0.001%, CCPS of Cleardekho Eyewear Private Limited of Rs 10/- each	597	25.01	597	4.24
15%, CCPS of Advetaya Business Consultant Private Limited of Rs 10/- each	12,852	-	12,852	2.92
0% CCPS of SumHR Software Private Limited of Rs 100/- each	208	19.89	208	0.74
0.001%, CCPS of Genius Learning Labs Private Limited of Rs. 100/- each	31	9.90	31	9.90
0.001%, CCPS of Flat White Capital Private Limited of Rs. 100/- each	177	40.08	177	40.08
0.001%, CCPS of Foxtort Beverages Private Limited of Rs. 10/- each	18	4.98	18	4.98
0.001%, CCPS of Lattu Media Private Limited of Rs. 1/- each	30	-	30	5.10
0.001%, CCPS of Blynk Marketing Private Limited of Rs. 100/- each	25,000	25.00	25,000	25.00
0.01% CCPS of Blu Smart Mobility Private Limited of Rs. 100/- each	370	4.07	-	-
0.001% CCPS of Cocoslabs Innovative Solutions Private Limited of Rs. 100/- each	10,000	10.00	-	-
0.001% CCPS of Dviate Systems Private Limited of Rs. 100/- each	113	10.01	-	-
0.001% CCPS of Forbidden Foods Private Limited of Rs. 100/- each	1,143	5.00	-	-
0.001% CCPS of Indigenous Energy Storage Technologies Private Limited of Rs. 100/- each	50	7.59	-	-
			<b>171.58</b>	<b>103.00</b>

**Venture fund**

[Carried at fair value through Profit & Loss]

Equity Shares of Getvantage Tech Private Limited through VCats Management Services Trust III	334	-	334	-
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**Alternate Investment fund (AIF)**

[Carried at fair value through Profit & Loss]

Dimension NXG Private Limited	-	20.00	-	-
		<b>20.00</b>		<b>-</b>

**Debentures**

(Carried at fair value through Profit & Loss (fully paid up))

**Compulsory convertible debentures (CCD)**

8% CCD of Fintech Products and Solutions (India) Private Limited of Rs. 10/- each	250,000	25.00	250,000	25.00
0.001% CCD of Homeville Consulting Private Limited of Rs. 10/- each	36	36.00	-	-
0.001% CCD of Dhruva Space Private Limited of Rs 10/- each	100,000	10.00	-	-
		<b>71.00</b>		<b>25.00</b>



**Mutual Funds - Quoted**

**Fair value through Profit & Loss**

DSP Ultra Short - Growth Fund	-	-	4	0.11
ICICI Pru Floating Interest Growth	-	-	3,389	10.99
				<b>11.10</b>
			<b>508.50</b>	<b>420.09</b>

**Gross Value of Investments :**

- in India			<b>508.50</b>	<b>420.09</b>
- outside India			-	-
Aggregate amount of quoted investments			<b>0.05</b>	<b>25.70</b>
Aggregate amount of unquoted investments			<b>508.45</b>	<b>394.39</b>
Aggregate amount of impairment in value of investments			-	-

**6 Other Financial Assets**

As at 31 March 2022 As at 31 March 2021

Security Deposits	4.17	18.49
Loans to Staff	4.76	17.50
Accrued Interest on Loans	127.39	28.42
Other financial assets	60.71	4.37
	<b>197.02</b>	<b>68.79</b>

**7 Current tax assets (net)**

As at 31 March 2022 As at 31 March 2021

Advance income tax [Net of provision for income tax Rs. 859.60 Lakhs (31 March, 2021 Rs. 497.50 Lakhs)]	75.49	57.06
	<b>75.49</b>	<b>57.06</b>

**9 Other Non Financial Assets**

As at 31 March 2022 As at 31 March 2021

Goods and Service Tax Credit (input) receivable	19.47	10.66
Prepaid expenses	3.30	15.03
Capital advance	18.82	7.49
Other Non Financial Assets	0.03	11.37
	<b>41.62</b>	<b>44.55</b>

**10 Payables**

As at 31 March 2022 As at 31 March 2021

Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises *	9.19	9.16
- Total outstanding dues of creditors other than micro enterprises and small enterprises	141.86	116.84
	<b>151.05</b>	<b>126.00</b>

**Trade Payable ageing  
As at 31 March 2022**

Particulars	Not Due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	8.44	0.75	-	-	9.19
Others	-	141.54	0.17	0.16	-	141.86
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
<b>Total</b>	-	<b>149.98</b>	<b>0.91</b>	<b>0.16</b>	-	<b>151.05</b>

**As at 31 March 2021**

Particulars	Not Due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	9.16	-	-	-	9.16
Others	-	115.46	1.32	0.06	-	116.84
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
<b>Total</b>	-	<b>124.62</b>	<b>1.32</b>	<b>0.06</b>	-	<b>126.00</b>

**\* Disclosure under the Micro, Small and Medium Enterprises Development Act 2006**

Based on and to the extent of the information received by the group from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below :

Particulars	As at 31 March 2022	As at 31 March 2021
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	9.19	9.16
ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
<b>11 Borrowings (other than debts securities)</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>At amortised cost</b>		
<b>Secured</b>		
Term Loan		
- External commercial borrowing*	778.48	-
Loan repayable on demand from bank	439.97	-
	<b>1,218.45</b>	<b>-</b>
<b>Unsecured - from bodies corporates</b>		
Term Loan		
- from other than related parties	504.29	-
Loans repayable on demand		
- from related parties	134.90	5,580.22
- from other than related parties	511.07	2,038.66
	<b>1,150.26</b>	<b>7,618.88</b>
<b>Total</b>	<b>2,368.71</b>	<b>7,618.88</b>
<b>Borrowings</b>		
- in India	1,590.23	7,618.88
- outside India	778.48	-

There are no borrowings measured at FVTPL or designated at FVTPL.

The group have not defaulted in repayment of principal or interest to its lenders.

As per terms of Loan from bank, group is not required to file quarterly or monthly returns or statements.

The group has utilised the funds raised from banks and other parties for the specific purpose for which they were borrowed.

**A. External Commercial Borrowings (ECB) - secured**

**As at 31 March 2022**

**Terms of repayment**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months	10.00%	The ECB is taken in Indian Rupees for a fixed tenure of 10 years and is Repayable after 10 years from the date of Loan i.e. 13th August 2021.	778.48
48-60 months		-	
36-48 months		-	
24-36 months		-	
12-24 months		-	
upto 12 months		-	
<b>Total</b>			

\* ECB-INR Loan converted into ECB-INR-NCD on and w.e.f. 19th May 2022 and includes Accrued Interest of Rs. 28.48 Lakhs.

**Nature of security**

Secured by way of hypothecation of books debts and receivables.

**As at 31 March 2021**

**Terms of repayment**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months			-
48-60 months			-
36-48 months			-
24-36 months			-
12-24 months			-
upto 12 months			-
<b>Total</b>			-

**B. Loan repayable on demand from bank - secured (Gold re-pledge Loan)**

**Terms of Loan**

**From South Indian Bank:**

1. The company has taken the bank overdraft facility having Sanction limit of Rs. 500 lakhs (as at 31 march 2021 - Nil) and Current Outstanding of Rs. 439.97 Lakhs (as at 31 march 2021 - Nil).
2. Collateral Security : Repledge of gold ornaments pledged by Obligors.
3. Rate of interest : Rate of interest is 10.50%.

**C. Term Loan - from body corporates - unsecured  
- from other than related parties**

As at 31 March 2022

Terms of repayment

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
More than 12 months			-
up to 12 months	12.00%	The tenure of loan is for 6 month and is repayable after 6 month from the date of loan i.e. 3rd March 2022.	504.29

As at 31 March 2021

Terms of repayment

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
More than 12 months			-
up to 12 months			-

**D. Loans repayable on demand - from bodies corporates - unsecured**

As at 31 March 2022

Terms of Loan

Particulars	Rate of Interest	Amount
From related parties	10%	134.90
From other than related parties	9.00% to 14.50%	511.07
<b>Total</b>		<b>645.97</b>

As at 31 March 2021

Terms of Loan

Particulars	Rate of Interest	Amount
From related parties	10%	5,580.22
From other than related parties	9.00% to 14.50%	2,038.66
<b>Total</b>		<b>7,618.88</b>

**12 Other Financial liabilities**

Deposits received against loan agreements  
Provision for expenses  
Other liabilities

As at 31 March 2022	As at 31 March 2021
53.87	22.50
56.12	36.45
70.23	25.70
<b>180.22</b>	<b>84.65</b>

**13 Current tax liabilities (net)**

Tax Provision (net of taxes paid)  
[Net of advance tax Rs. Nil (31 March, 2021 Rs. 304.50 Lakhs)]

As at 31 March 2022	As at 31 March 2021
-	110.50
<b>-</b>	<b>110.50</b>

**14 Provisions**

For employee benefits

- Gratuity

As at 31 March 2022	As at 31 March 2021
11.13	4.47
<b>11.13</b>	<b>4.47</b>

**15 Other non-financial Liabilities**

Advances Received  
Statutory dues payable  
Other Payables

As at 31 March 2022	As at 31 March 2021
-	281.08
66.23	79.92
-	29.15
<b>66.23</b>	<b>390.14</b>

**16 Equity share capital**

**Authorised share capital**

13,00,00,000 (As at 31 March 2021 - 13,00,00,000) equity share of Rs. 1/- each

As at 31 March 2022	As at 31 March 2021
1,300.00	1,300.00

**Issued share capital**

12,68,58,198 (As at 31 March 2021 - 12,68,58,198) equity share of Rs. 1/- each

1,268.58	1,268.58
<b>1,268.58</b>	<b>1,268.58</b>

**Subscribed share capital**

12,68,58,198 (As at 31 March 2021 - 12,68,58,198) equity share of Rs. 1/- each

1,268.58	1,268.58
<b>1,268.58</b>	<b>1,268.58</b>

**Paid up share capital**

12,68,58,198 (As at 31 March 2021 - 12,68,58,198) equity share of Rs. 1/- each

1,268.58	1,268.58
<b>1,268.58</b>	<b>1,268.58</b>

**Total Equity**

<b>1,268.58</b>	<b>1,268.58</b>
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**Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year**

**Particulars**

**As at 31 March 2020**

Issued during the year

<b>126,858,198</b>	<b>1,268.58</b>
-	-

**As at 31 March 2021**

Issued during the year

<b>126,858,198</b>	<b>1,268.58</b>
-	-

**As at 31 March 2022**

<b>126,858,198</b>	<b>1,268.58</b>
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**Rights, preferences and restrictions attached to each class of shares:**

The Company has only one class of shares referred to as equity shares having a par value of INR 1 each share. Every holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining asset 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.

**Details of shareholders holding more than 5% equity shares in the Company**

Details of shareholding	As at 31 March 2022		As at 31 March 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Kalawati Kothari	6,992,600	5.51%	6,992,600	5.51%
Ketan Kothari	53,451,230	42.13%	53,451,230	42.13%
Mohinidevi Kothari	6,545,600	5.16%	6,545,600	5.16%
Rishabh Jewellers	8,108,108	6.39%	8,108,108	6.39%
Muthoot Bankers	18,421,050	14.52%	18,421,050	14.52%
Nexpact Limited	7,414,040	5.84%	6,899,040	5.44%

**Shareholding of Promoters**

Promoters name	Shares held by promoters at the end of the year			% Change during the year
	Year ended	Number of Shares	% of Holding	
Ketan Kothari	Shares As at 31 March 2022	53,451,230	42.13%	0.00%
	Shares As at 31 March 2021	53,451,230	42.13%	0.00%
Devkumari Kothari	Shares As at 31 March 2022	71,270	0.06%	0.00%
	Shares As at 31 March 2021	71,270	0.06%	-0.79%
Kalawati Kothari	Shares As at 31 March 2022	6,992,600	5.51%	0.00%
	Shares As at 31 March 2021	6,992,600	5.51%	-0.85%
Mohinidevi Kothari	Shares As at 31 March 2022	6,545,600	5.16%	0.00%
	Shares As at 31 March 2021	6,545,600	5.16%	-0.86%

**Note:**

The Company does not have any holding or ultimate holding company.

During the period of five years immediately preceding the balance sheet date, the Company has not issued any shares without payment being received in cash or by way of bonus shares or shares bought back.

**Shares reserved for issue under Employee Stock Option Scheme:**

The group has reserved 404,664 equity shares (31 March 2021: Nil) for issue under the Employee Stock Option Scheme 2018.

17 Other equity	As at 31 March 2022	As at 31 March 2021
Capital Reserve (on Consolidation)	-	21.05
Securities premium reserve	11,092.78	11,092.78
General reserve	0.78	0.78
Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)	686.48	254.30
Retained earnings	2,706.86	1,144.38
Share based payment reserve	51.40	-
Other comprehensive income	(2.05)	-
	<b>14,536.26</b>	<b>12,513.29</b>

**Nature and purpose of other equity :**

**(a) Capital reserve on consolidation**

Capital reserve arises as a result of consolidation of financial statement.

**(b) Securities premium reserve**

The amount received in excess of face value of the equity shares is recognised in Securities premium reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

**(c) General reserve**

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

**(d) Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)**

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.

**The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:**

(1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

(2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty one days from the date of such withdrawal:

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty one days by such further period as it thinks fit or condone any delay in making such report.

(3) Notwithstanding anything contained in sub-section (1), the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

**(e) Retained earnings**

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

**(f) Share based payment reserve**

Share based payment reserve represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees and unvested stock options in the Statement of profit and loss in respect of equity-settled share options granted to the eligible employees of the Company and its subsidiary in pursuance of the Employee Stock Option Plan.

**(g) Other comprehensive income**

Other comprehensive income consist of FVOCI financial assets and financial liabilities and remeasurement of defined benefit assets and liability.



**18 Revenue from Operations**

	Year ended 31 March 2022	Year ended 31 March 2021
Interest income on loans measured at amortised cost	1,902.73	1,955.81
Income from forex services	1,282.82	642.38
Fees and commission income - service charges and other fee on loans	361.23	-
<b>Net gain on fair value changes</b>		
- Fair value of financial assets - investments (unrealised)	-	146.56
- Fair value of financial assets - investments (realised)	23.60	-
- Currency derivatives trading profit	-	8.33
- Net gain on derivative transactions	-	12.57
Profit on sale of investments in subsidiary carried at cost	1,986.61	-
<b>Other</b>		
- Remittance bank charges	36.68	7.80
- Commission on forex services	61.19	27.34
	<b>5,654.86</b>	<b>2,800.80</b>

**19 Other Income**

	Year ended 31 March 2022	Year ended 31 March 2021
Interest on fixed deposit with bank	7.56	9.26
Interest - other	15.63	29.69
Interest on Income Tax refund	-	2.36
Unwinding of Interest on security deposit	0.46	0.14
Miscellaneous Income	38.10	20.36
	<b>61.76</b>	<b>61.81</b>

**20 Finance costs**

	Year ended 31 March 2022	Year ended 31 March 2021
<b>On Financial liabilities measured at amortised cost</b>		
<b>Interest on borrowings (other than debt securities)</b>		
- Loans from others	267.14	677.65
- Loan from bank	8.84	-
- External commercial borrowings	47.47	-
<b>Other finance cost</b>		
- Interest on lease liabilities	15.25	25.37
- other borrowing cost	2.87	-
	<b>341.56</b>	<b>703.01</b>

**21 Net loss on fair value changes**

	Year ended 31 March 2022	Year ended 31 March 2021
Fair value of financial assets - Investments (realised)	16.01	22.51
Fair value of financial assets - Investments (unrealised)	43.06	-
Currency derivatives trading loss	0.54	-
Net loss on derivative transactions	11.05	-
	<b>70.66</b>	<b>22.51</b>

**22 Impairment on financial instruments**

	Year ended 31 March 2022	Year ended 31 March 2021
On financial instruments measured at amortised cost		
Loans	186.58	443.37
Trade receivables	(2.00)	2.00
	<b>184.58</b>	<b>445.37</b>

**23 Employee benefits expenses**

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and other allowances and bonus	392.14	286.68
Directors remuneration	46.90	21.68
Contribution to provident and other funds	41.33	-
Share based payments to employees	51.40	-
Staff welfare expenses	12.65	5.92
Gratuity (refer note 33)	17.12	4.47
	<b>561.54</b>	<b>318.76</b>

**24 Depreciation, amortisation and impairment**

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property plant & equipment	25.61	22.77
Amortisation of intangible assets	9.88	8.50
Depreciation on right of use assets (refer note 31)	38.88	54.24
	<b>74.37</b>	<b>85.51</b>

**25 Other Expenses**

	Year ended 31 March 2022	Year ended 31 March 2021
Stock exchange, depository & RTA charges	4.21	4.99
Electricity charges	2.53	5.80
Legal and professional charges	91.11	58.39
<b>Payment to Auditors</b>		
Statutory audit fees	2.50	4.00
Tax audit fees	-	0.50
Certification fees	0.20	-
Business promotion	28.11	10.81
GST paid on input services	91.49	29.02
Printing and stationary	3.78	2.64
Telephone and communication	2.96	5.87
Advertisement and publishing	3.11	1.45
Fees and subscription	31.59	9.14
Donations	6.88	0.03
Travelling expenses	8.42	3.69
Foreign exchange fluctuation	3.01	1.59
Corporate social responsibility (CSR) expenses (refer note 28)	10.74	6.20
Bad debts	-	7.25
Office rent	9.26	10.14
Repairs and maintenance - other	9.26	5.77
Conveyance	15.28	5.44
Sundry balances written off	32.23	-
Currency lost in transit	81.71	-
Bank charge	34.30	29.97
Insurance	2.63	2.60
Miscellaneous expenses	47.77	28.34
	<b>523.09</b>	<b>233.64</b>

**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts in INR, unless otherwise stated)

**26 Income tax expenses**

The components of income tax expense for the financial year are as under:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>(a) Tax expense recognized in the Statement of Profit and Loss</b>		
Current tax	533.00	253.60
Deferred tax relating to origination and reversal of temporary differences	(18.45)	(74.35)
Tax pertaining to earlier years	(0.61)	(0.84)
	<b>513.93</b>	<b>178.41</b>

**(b) Reconciliation of the total tax charge:**

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the financial years is as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Profit/(loss) before tax</b>	2,487.17	631.96
<b>Enacted tax rate</b>	25.168%	25.168%
<b>Current tax expenses on profit before tax expenses at the enacted income tax rate in India</b>	625.97	159.05
<b>Reconciliations</b>		
Tax pertaining to earlier years	(0.61)	(0.84)
Income subject to tax at special rate	(29.06)	-
Effect of tax on income enjoying tax concession	(98.23)	-
<b>Non Deductible expenses</b>		
- Corporate social responsibility expenditure	2.70	1.56
- Tax pertaining to income / loss not taxable / deductible	1.66	2.29
Others	11.50	16.35
	<b>513.93</b>	<b>178.41</b>

**(c) Deferred Tax**

The following table shows movement in deferred tax recorded in balance sheet and changes recorded in the income tax expenses :

Particulars	As at 31 March 2021	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to OCI	Deduction on De- Consolidation of Subsidiary	As at 31 March 2022
- on Right of use and Lease liabilities	(5.21)	(0.95)	-	1.65	(2.62)
- on WDV of Property, plant & Equipment as per books and income tax	12.74	(1.24)	-	(12.18)	1.80
- on unabsorbed losses	27.52	(1.06)	-	(28.58)	-
- on expected credit losses	147.85	(5.00)	-	-	152.85
- on fair value of Investments	(14.24)	(9.92)	-	(4.91)	(9.23)
- on Provision for post retirement benefits	1.13	(0.99)	(0.69)	-	2.80
- Others	2.13	0.71	-	-	1.42
	<b>171.91</b>	<b>(18.45)</b>	<b>(0.69)</b>	<b>(44.02)</b>	<b>147.03</b>

Particulars	As at 31 March 2020	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to OCI	Deduction on De- Consolidation of Subsidiary	As at 31 March 2021
- on Right of use and Lease liabilities	(0.09)	5.13	-	-	(5.21)
- on WDV of Property, plant & Equipment as per books and income tax	11.18	(1.57)	-	-	12.74
- on unabsorbed losses	27.62	0.10	-	-	27.52
- on expected credit losses	36.26	(111.58)	-	-	147.85
- on fair value of Investments	22.58	36.82	-	-	(14.24)
- on Provision for post retirement benefits	-	(1.13)	-	-	1.13
- Others	0.00	(2.12)	-	-	2.13
	<b>97.56</b>	<b>(74.35)</b>	<b>-</b>	<b>-</b>	<b>171.91</b>

**27 Earning Per Share (EPS)**

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Net Profit/(loss) attributable to equity share holders (in INR)</b>	1,972.09	457.94
<b>Computation of weighted average number of equity shares :</b>		
Weighted average number of equity shares outstanding during the year for computing basic EPS	126,858,198	126,858,198
Add: Option granted to employees	42,627	-
Weighted average number of equity shares outstanding during the year for computing diluted EPS	126,900,825	126,858,198
<b>Earnings per equity share (Face value of INR 1 per equity share):</b>		
Basic earnings per share - in rupees	1.55	0.36
Diluted earnings per share - in rupees	1.55	0.36
<b>Anti-Dilutive shares</b>	11391	-

**28 Corporate Social Responsibility (CSR) :**

- a) The CSR activities of the Group shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time.
- b) During the year ended 31 March 2022, the Group has incurred an expenditure of Rs.10.74 Lakhs (31 March 2021: Rs. 6.20 Lakhs) towards CSR activities which includes contribution / donations made to the trusts which are engaged in activities prescribed under section 135 of the Companies Act, 2013 read with Schedule VII to the said Act.

**c) Amount required to be spent and amount spent towards CSR activities by the Group**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Amount required to be spent as per section 135 of the Act</b>		
(i) Unspent amount as at the beginning of the year	0.03	-
(ii) Amount required to be spent during the year based on average of preceeding three year profits	8.05	6.23
<b>Total amount required to be spent</b>	<b>8.08</b>	<b>6.23</b>
<b>Amount spent during the year on :</b>		
(i) Construction/acquisition of assets	-	-
(ii) on purpose other than above	10.74	6.20
<b>Balance / (excess) amount to be spent / spent as per section 135 of the Act</b>	<b>(2.66)</b>	<b>0.03</b>

The group has neither made any CSR Contributions to its related parties nor recorded any provision for CSR expenditure.

**29 Contingent Liabilities (to the extent not provided for)**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Claim against the Group not acknowledged as debts</b>	-	3.53

The Group's pending litigations comprise of proceedings pending with Income Tax authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions / contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

**30 Capital Commitments**

The Group does not have any Capital Commitments as on 31 March 2022. (Nil as at 31 March 2021).

### 31 Leases

The Group's lease asset classes primarily consist of leases of buildings or part thereof taken on lease for office premises.

The Group uses following practical expedient, when applying Ind AS 116 to leases :

- (1) The Group didn't recognize Right of Use and Lease liabilities for lease for which the lease term ends within 12 months on the date of initial transition and low value assets.
- (2) The Group excluded initial direct cost from measurement of the Right of Use assets at the date of initial application.
- (3) The Group uses hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

#### Following are the changes in the carrying value of right of use assets for the year ended 31 March 2022:

Particulars	Amount
<b>Right of Use Asset - Office Premises</b>	
<b>Cost</b>	
<b>Balance as at 01 April 2020</b>	<b>145.37</b>
Additions	111.52
Deletions	62.83
<b>Balance as at 31 March 2021</b>	<b>194.06</b>
Additions	21.93
Deletions	-
Deduction on De-Consolidation of Subsidiary	(160.88)
<b>Balance as at 31 March 2022</b>	<b>55.11</b>
<b>Accumulated Depreciation</b>	
<b>Balance as at 01 April 2020</b>	<b>21.47</b>
Depreciation charged for the year	54.24
Deletions	-
<b>Balance as at 31 March 2021</b>	<b>75.71</b>
Depreciation charged for the year	38.88
Deletions	-
Deduction on De-Consolidation of Subsidiary	(81.99)
<b>Balance as at 31 March 2022</b>	<b>32.60</b>
<b>Carrying amount</b>	
Balance as at 31 March 2021	118.35
<b>Balance as at 31 March 2022</b>	<b>22.51</b>

#### Following is the movement in lease liabilities during the year ended 31 March 2022:

Particulars	Amount
<b>Balance as on 01 April 2020</b>	<b>124.25</b>
Additions	111.52
Interest accrued during the year	25.37
Deletions	62.83
Payment of lease liabilities	59.23
<b>Balance as on 31 March 2021</b>	<b>139.07</b>
Additions	21.93
Interest accrued during the year	15.25
Deletions	-
Payment of lease liabilities	21.05
Payment of lease liabilities by De-Consolidated Subsidiary (up to subsidiary period)	(33.79)
Deduction on De-Consolidation of Subsidiary	(88.49)
<b>Balance as at 31 March 2022</b>	<b>32.92</b>

The group has not revalued any of its Right-of-use assets during the years ended 31 March 2022 and 31 March 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is Nil.

**Break-up of the contractual maturities of lease liabilities on an undiscounted basis :**

Particulars	As at 31 March 2022	As at 31 March 2021
Less than 1 year	19.80	61.00
1 to 5 years	17.55	120.05
More than 5 years	-	-
Weighted average effective interest rate (%)	9.00%	9.00%

**Short-term leases expenses incurred :**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
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**Amounts recognised in the Statement of Profit and Loss**

Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	38.88	54.24
Interest expense (included in finance costs)	15.25	25.37
Expense relating to short-term leases (included in other expenses)	9.26	10.14
<b>The total cash outflow for leases during the year</b>	<b>63.39</b>	<b>89.75</b>

The Group does not face a significant liquidity risk with regard to its lease liabilities as the assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**32 Related party disclosures**

**A List of related parties and relationships with whom transaction have taken place and relationships of control**

Nature of relationship	Name of related party
Promoters	Mr. Ketan Kothari Mrs. Devkumari Kothari Mrs. Kalawati Kothari Mrs. Mohinidevi Kothari
Associates	Pratvik Hospitality LLP (up to 29.03.2021)
Key Management Personnel (KMP)	Mr. Ketan Kothari, Promoter & Director Mr. Sachin Kothari, Director (till 30.09.2020) Mrs. Riddhi Tilwani, Director Mr. Nishant Ranka, Director Mr. Narendra Jain, Director (w.e.f. 31.08.2020) Mr. Priyank Kothari (w.e.f. 17.05.2021) Mr. Rakesh Mehta, Director (17.05.2021 to 09.03.2022) Mr. Aakash Jain, Chief Financial Officer Mr. Sunny Parekh, Company Secretary Ms. Bhavna Bafna Mr. Anilchandra Bhujade Mr. Hireen Desai
Relatives of Key Management Personnel (where there are transactions)	Mr. Vivek Kothari Mr. Bhawarlal Kothari Mr. Manekchand Kothari Mrs. Ratandevi Bafna Mr. Ashvin Bafna Mr. Aarav Bafna Ms. Aaria Bafna Ms. Namita Kothari Ms. Silky Bhawarlal Kothari
Enterprise over which promoters or Key Managerial Personnel are able to exercise influence (entities with whom the group has transactions)	Acchai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd) Arch & Teco Consultants Pvt Ltd Aranath Real Estate Pvt. Ltd. Augmont Enterprises Pvt Ltd Augmont Goldtech Pvt. Ltd. Badami Investment Badami Trading LLP Goldella Precious Metals Pvt Ltd HR Commercial Pvt Ltd (w.e.f. 31.08.2020) Haven Infoline LLP Haven Infoline Pvt Ltd Hriday Products Private Limited Kevin & Mike Consultancy Krish Dreams Home Pvt Ltd Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd) Pratvik Hospitality LLP Riddisiddhi Bullions Ltd RSBL Builders LLP RSBL Refining & Assaying LLP Vimuk Enterprises LLP



**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

(a) Transaction with Related Party :

Nature of Transaction	Year ended 31 March 2022					Year ended 31 March 2021				
	Promoters	Key Management Personnel (KMP)	Enterprise owned or controlled by KMP or Relatives	Relatives of KMP	Associates	Promoters	Key Management Personnel (KMP)	Enterprise owned or controlled by KMP or Relatives	Relatives of KMP	Associates
<b>INCOME</b>										
<b>Interest Received</b>	-	-	777.76	-	-	-	-	1,323.72	-	-
Acchai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd)	-	-	-	-	-	-	-	0.04	-	-
Aranth Real Estate Pvt Ltd (Formerly Known as Renaissance Fincon Pvt Ltd)	-	-	327.85	-	-	-	-	897.86	-	-
Augmont Enterprises Pvt Ltd	-	-	48.32	-	-	-	-	-	-	-
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	-	0.14	-	-	-	-	21.65	-	-
Badami Investment	-	-	285.18	-	-	-	-	219.12	-	-
Badami Trading LLP	-	-	-	-	-	-	-	2.20	-	-
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	-	-	-	-	-	-	7.83	-	-
Hriday Products Pvt Ltd	-	-	-	-	-	-	-	5.75	-	-
Haven Infoline LLP	-	-	-	-	-	-	-	42.55	-	-
Haven Infoline Pvt Ltd	-	-	18.23	-	-	-	-	-	-	-
Kevin & Mike Consultancy	-	-	28.26	-	-	-	-	22.53	-	-
Krish Dreams Home Pvt Ltd	-	-	68.39	-	-	-	-	65.46	-	-
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	1.39	-	-	-	-	10.41	-	-
Pratvick Hospitality LLP	-	-	-	-	-	-	-	9.45	-	-
RSBL Refining & Assaying LLP	-	-	-	-	-	-	-	12.41	-	-
Vimuk Enterprises LLP	-	-	-	-	-	-	-	6.45	-	-
<b>Sale of Foreign Currency</b>	-	-	-	-	-	-	-	-	5.84	-
Mr. Ashvin Bafna	-	-	-	-	-	-	-	-	1.57	-
Mr. Aarav Bafna	-	-	-	-	-	-	-	-	2.40	-
Ms. Aaria Bafna	-	-	-	-	-	-	-	-	1.87	-

Nature of Transaction	Year ended 31 March 2022					Year ended 31 March 2021				
	Promoters	Key Management Personnel (KMP)	Ent owned or controlled by KMP or Relatives	Relatives of KMP	Associates	Promoters	Key Management Personnel (KMP)	Ent owned or controlled by KMP or Relatives	Relatives of KMP	Associates
<b>EXPENSES</b>										
<b>Remuneration &amp; Sitting Fees (Excluding GST)</b>	-	73.70	-	-	-	-	45.51	-	-	-
Narendra Jain	-	27.00	-	-	-	-	15.75	-	-	-
Priyank Kothari	-	18.00	-	-	-	-	-	-	-	-
Nishant Ranka	-	0.50	-	-	-	-	0.75	-	-	-
Riddhi Tillwani	-	0.50	-	-	-	-	0.50	-	-	-
Rakesh Mehta	-	0.50	-	-	-	-	-	-	-	-
Sachin Kothari	-	-	-	-	-	-	4.15	-	-	-
Aakash Jain	-	12.90	-	-	-	-	11.53	-	-	-
Sunny Parekh	-	14.30	-	-	-	-	12.48	-	-	-
Hiren -Desai	-	-	-	-	-	-	0.35	-	-	-
<b>Rent Paid</b>	-	-	28.13	-	-	-	-	8.40	2.40	-
RSBL Builders LLP	-	-	28.13	-	-	-	-	8.40	-	-
Mr. Bhawarlal Kothari	-	-	-	-	-	-	-	-	1.20	-
Ms. Mohini Kothari	-	-	-	-	-	-	-	-	1.20	-
<b>Interest Paid</b>	-	-	150.45	-	-	-	-	510.73	-	-
Riddisiddhi Bullions Ltd	-	-	0.74	-	-	-	-	20.81	-	-
HR Commercial Pvt Ltd	-	-	4.66	-	-	-	-	6.05	-	-
Augmont Enterprises Pvt Ltd	-	-	145.05	-	-	-	-	483.87	-	-
Arch & Teco Consultants Pvt Ltd	-	-	-	-	-	-	-	-	-	-
<b>Share of Profit/(Loss)</b>	-	-	-	-	-	-	-	(9.10)	-	-
Pratvick Hospitality LLP	-	-	-	-	-	-	-	(9.10)	-	-
<b>Technical Fees Paid</b>	-	-	-	-	-	-	-	2.10	-	-
RSBL Builders LLP	-	-	-	-	-	-	-	2.10	-	-
<b>OTHER TRANSACTIONS</b>										
<b>Sale of Investment</b>	-	-	-	-	-	-	-	-	-	7.27
Pratvick Hospitality LLP	-	-	-	-	-	-	-	-	-	7.27
<b>Purchase of Investment</b>	29.26	-	-	188.98	-	-	-	-	-	-
Ketan Kothari	3.50	-	-	-	-	-	-	-	-	-
Mohinidevi Kothari	25.76	-	-	-	-	-	-	-	-	-
Vivek Kothari	-	-	-	89.90	-	-	-	-	-	-
Bhwarlal Kothari	-	-	-	58.21	-	-	-	-	-	-
Manekchand Kothari	-	-	-	40.14	-	-	-	-	-	-
Ratandevi Bafna	-	-	-	0.37	-	-	-	-	-	-
Bhavna Bafna	-	-	-	0.37	-	-	-	-	-	-
<b>Security Deposit Given</b>	-	-	-	-	-	-	-	0.30	-	-
RSBL Builders LLP	-	-	-	-	-	-	-	0.30	-	-
Mr. Bhawarlal Kothari	-	-	-	-	-	-	-	-	-	-
<b>Loan Given during the year - unsecured - Short Term</b>	-	-	23,968.24	-	-	-	-	8,347.11	-	-
Acchai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd)	-	-	-	-	-	-	-	7.00	-	-
Aranath Real Estate Pvt Ltd (Formerly Known as Renaissance Fincon Pvt Ltd)	-	-	18,556.65	-	-	-	-	3,335.00	-	-
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	-	476.00	-	-	-	-	655.01	-	-
Badami Investment	-	-	4,753.39	-	-	-	-	4,005.50	-	-
Badami Trading LLP	-	-	-	-	-	-	-	-	-	-
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	-	-	-	-	-	-	145.00	-	-
HR Commercial Pvt Ltd	-	-	-	-	-	-	-	4.83	-	-
Haven Infoline LLP	-	-	-	-	-	-	-	101.00	-	-
Haven Infoline Pvt Ltd	-	-	57.00	-	-	-	-	-	-	-
Kevin & Mike Consultancy	-	-	41.50	-	-	-	-	49.50	-	-
Krish Dreams Home Pvt Ltd	-	-	83.70	-	-	-	-	5.00	-	-
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	-	-	-	-	-	7.00	-	-
Pratvick Hospitality LLP	-	-	-	-	-	-	-	7.27	-	-
Vimuk Enterprises LLP	-	-	-	-	-	-	-	25.00	-	-

Nature of Transaction	Year ended 31 March 2022					Year ended 31 March 2021				
	Promoters	Key Management Personnel (KMP)	Ent owned or controlled by KMP or Relatives	Relatives of KMP	Associates	Promoters	Key Management Personnel (KMP)	Ent owned or controlled by KMP or Relatives	Relatives of KMP	Associates
<b>Loan Received Back</b>	-	-	32,605.02	-	-	-	-	6,815.73	-	-
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	-	476.00	-	-	-	-	655.01	-	-
Aranath Real Estate Pvt Ltd (Formerly Known as Renaissance Fincon Pvt Ltd)	-	-	26,079.00	-	-	-	-	3,271.28	-	-
Badami Investment	-	-	5,440.20	-	-	-	-	2,107.45	-	-
Badami Trading LLP	-	-	-	-	-	-	-	57.75	-	-
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	-	-	-	-	-	-	77.70	-	-
Haven Infoline LLP	-	-	-	-	-	-	-	172.82	-	-
Haven Infoline Pvt Ltd	-	-	498.18	-	-	-	-	-	-	-
HR Commercial Pvt Ltd	-	-	6.32	-	-	-	-	-	-	-
Hriday Products Pvt Ltd	-	-	-	-	-	-	-	25.00	-	-
Krish Dreams Home Pvt Ltd	-	-	9.32	-	-	-	-	34.08	-	-
Kevin & Mike Consultancy	-	-	-	-	-	-	-	-	-	-
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	96.00	-	-	-	-	-	-	-
Parshwanath Investments	-	-	-	-	-	-	-	-	-	-
Pratvick Hospitality LLP	-	-	-	-	-	-	-	-	-	-
RSBL Refining & Assaying LLP	-	-	-	-	-	-	-	257.47	-	-
Vimuk Enterprises LLP	-	-	-	-	-	-	-	157.18	-	-
<b>Loan Taken during the year - unsecured - short term</b>	-	-	19,421.50	-	-	-	-	21,321.79	-	-
Augmont Enterprises Pvt Ltd	-	-	19,307.81	-	-	-	-	11,582.00	-	-
HR Commercial Pvt Ltd	-	-	93.68	-	-	-	-	177.00	-	-
Riddisiddhi Bullions Ltd	-	-	20.00	-	-	-	-	9,562.79	-	-
<b>Loan Paid - Refunded</b>	-	-	24,501.09	-	-	-	-	22,021.77	-	-
Riddisiddhi Bullions Ltd	-	-	59.22	-	-	-	-	11,249.42	-	-
HR Commercial Pvt Ltd	-	-	-	-	-	-	-	262.26	-	-
Augmont Enterprises Pvt Ltd	-	-	24,441.87	-	-	-	-	10,510.10	-	-
Arch & Teco Consultants Pvt Ltd	-	-	-	-	-	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2022  
(All amounts in INR in Lakhs, unless otherwise stated)

(b) Outstanding as at the Balance Sheet date :

Nature of Transaction	-			Particulars		
	Key Management Personnel (KMP)	Relatives of KMP	Enterprise owned or controlled by KMP or Relatives	Key Management Personnel (KMP)	Relatives of KMP	Enterprise owned or controlled by KMP or Relatives
<b>OUTSTANDING AS AT THE BALANCE SHEET DATE</b>						
<b>Loan Given - Short Term - Outstanding</b>	-	-	4,212.44	-	-	13,040.81
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	-	0.13	-	-	11.62
Acchhai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd)	-	-	-	-	-	7.04
Augmont Enterprises Pvt Ltd	-	-	50.97	-	-	-
Aranth Real Estate Pvt Ltd (Formerly Known as Renaissance Fincon Pvt Ltd )	-	-	388.35	-	-	8,031.64
Badami Investment	-	-	2,667.79	-	-	3,347.94
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	-	-	-	-	111.23
HR Commercial Pvt Ltd	-	-	-	-	-	4.83
Haven Infoline LLP	-	-	-	-	-	480.55
Hriday Products Pvt Ltd	-	-	-	-	-	-
Kevin & Mike Consultancy	-	-	299.72	-	-	238.78
Krish Dreams Home Pvt Ltd	-	-	728.21	-	-	603.46
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	-	-	-	106.57
Pratvick Hospitality LLP	-	-	77.27	-	-	97.17
<b>Loan Received - Short Term - Outstanding</b>	-	-	134.90	-	-	5,580.22
Riddisiddhi Bullions Ltd	-	-	-	-	-	48.25
Augmont Goldtech Pvt Ltd (Formerly Known as Augmont Precious Metals Pvt Ltd)	-	-	35.54	-	-	-
HR Commercials Pvt Ltd	-	-	99.36	-	-	-
Augmont Enterprises Pvt Ltd	-	-	-	-	-	5,531.97
<b>Security Deposit Given</b>	-	-	-	-	1.37	0.30
RSBL Builders LLP	-	-	-	-	-	0.30
Mr. Bhawarlal Kothari	-	-	-	-	1.37	-
<b>Other financials liabilities</b>	8.06	-	0.14	2.82	-	-
Narendra Jain	4.28	-	-	1.45	-	-
Priyank Kothari	1.46	-	-	-	-	-
Rakesh Mehta	0.45	-	-	-	-	-
Aakash Jain	1.03	-	-	0.99	-	-
Sunny Parekh	0.84	-	-	0.38	-	-
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	0.14	-	-	-

1. Related parties are as identified by the Management of Group and relied upon by the Auditors.
2. No amount pertaining to Related Parties have been provided for as doubtful debts / written back.
3. There were no guarantee given or security provided during the year to the related parties.
4. Terms and conditions of transaction with related parties: the transactions among the related parties are in the ordinary course of business and based on normal commercial terms, conditions, market rates.

**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2022**

(All amounts in INR in Lakhs, unless otherwise stated)

**33. EMPLOYEE BENEFITS**

**i) Defined contribution plan :**

The group makes Provident fund contribution which are defined contribution plans for qualifying employees. Under the scheme, the group is required to contribute a specified percentage of the payroll costs to fund the benefits. The group recognised Rs. 41.33 lakhs (31 March 2021: Rs. Nil) for Provident fund contributions in the Statement of Profit and Loss. The contributions payable to the plan by the group is at rates specified in the rules of the scheme.

**ii) Defined benefit gratuity plan :**

In accordance with the applicable laws, the Group provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The disclosure in respect of the defined Gratuity Plan are given below:

	Year ended 31 March 2022	Year ended 31 March 2021
<b>a. Amounts recognized in the Statement of Profit &amp; Loss</b>		
Current service cost	3.62	1.76
Gratuity paid	13.20	-
Past service cost	-	2.71
Interest cost/(income)	0.30	-
<b>Total amount recognised in Statement of Profit &amp; Loss</b>	<b>17.12</b>	<b>4.47</b>
<b>b. Amount recognized in Other Comprehensive income</b>		
Return on plan assets excluding amounts included in net finance income/(cost)	-	-
Actuarial gains/(losses) arising from changes in financial assumptions	(1.08)	-
Experience gains/(losses)	3.82	-
<b>Total amount recognised in Other Comprehensive Income</b>	<b>2.73</b>	<b>-</b>
	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>c. Changes in the defined benefit obligation</b>		
<b>Opening defined benefit obligation</b>	4.47	-
Current service cost	3.62	1.76
Past service cost	-	2.71
Interest Cost/(Income)	0.30	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(1.08)	-
Actuarial (gain)/loss arising from experience adjustments	3.82	-
Employer contributions	-	-
Benefit payments	-	-
<b>Closing defined benefit obligation</b>	<b>11.13</b>	<b>4.47</b>
	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>d. Change in the fair value of plan assets during the year</b>		
<b>Opening Fair value of plan assets</b>	-	-
Interest Cost/(Income)	-	-
Expected return of plan assets excluding amounts included in net finance income/cost	-	-
Employer contributions	-	-
Adjustment due to change in opening balance of Plan assets	-	-
Actual Benefit payments	-	-
<b>Closing Fair value of plan assets</b>	<b>-</b>	<b>-</b>

	As at 31 March 2022	As at 31 March 2021
<b>e. Net defined benefit obligation</b>		
Defined benefit obligation	11.13	4.47
Fair value of plan assets	-	-
Surplus/(Deficit)	11.13	4.47
Current portion of the above	0.13	0.04
Non Current portion of the above	11.00	4.44

**f. Assumptions**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

**Financial Assumptions**

	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate	7.23%	6.78%
Salary Escalation Rate	5.00%	5.00%

**g. Sensitivity**

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	9.12	13.71
Salary Escalation Rate	1.00%	13.12	9.36

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

**h. The defined benefit obligations shall mature after year end 31 March, 2022 as follows:**

Expected payments for future years	As at 31 March 2022	As at 31 March 2021
Within the next 12 months	0.13	0.04
Between 2 and 3 years	0.14	0.05
Between 3 and 4 years	0.18	0.06
Between 4 and 5 years	0.24	0.08
Between 5 and 6 years	0.26	0.09
Thereafter	10.18	4.15

**h. Employee share based payment plans:**

During the year ended 31 March, 2022, the Group implemented Employee Stock Option Plan 2018 ("2018 Plan"). The plan was approved by the shareholders in the Company's 34th AGM held on 29 September, 2018. The 2018 Plan have resulted into creation of ESOP pool of 50 lakhs options resulting into 50 lakhs equity shares of Rs 1 each. Further, the stock options to any single employee under the Plan shall not exceed 1% of fully diluted equity Shares of the Group during the tenure of the Plan, subject to compliance with Applicable Law.

The options granted under 2018 Plan have a maximum vesting period of 4 years from the end of grant date and is exercisable within 5 years of last vesting date. The options granted are based on the performance of the employees during the year of the grant and their continuing to remain in service. The process for determining the eligibility of employees for the grant of stock options under the 2018 Plan shall be determined by the Nomination and Remuneration Committee (Administrator of the 2018 Plan) in consultation with Board and based on employee's grade, performance rating and such other criteria as may be considered appropriate. The employees shall be entitled to receive one equity share of the Group on exercise of each stock option, subject to performance of the employees and continuation of employment over the vesting period and other terms of the plan. The Board of Directors or the Nomination and Remuneration Committee shall decide the Exercise Price and the discount rate at the time of granting the Options on the basis of per share Market rate of the shares of the Company as defined under 2018 Plan.

**a) Details of stock options granted:**

Particulars	Grant 1	Grant 2	Grant 3
Grant Date	01/04/2021	30/06/2021	24/08/2021
Last vesting date	31/03/2025	29/06/2025	23/08/2025
Market price at the time of grant of option (INR)	43.90	64.40	52.00
Exercise Price (INR)	27.00	27.00	27.00
<b>Options outstanding at the beginning of the year</b>	-	-	-
Options granted during the year	331,800	56,614	63,750
Options exercised during the year	-	-	-
Options forfeited during the year	-	-	-
Options lapsed during the year	47,500	-	-
<b>Balance as at year end</b>	<b>284,300</b>	<b>56,614</b>	<b>63,750</b>
<b>Vesting of option (in % of total) at period end</b>			
1st - after the end of 12 month from Grant date	25%	25%	25%
2nd - after the end of 24 month from Grant date	20%	20%	20%
3rd - after the end of 36 month from Grant date	20%	20%	20%
4th - after the end of 48 month from Grant date	35%	35%	35%
<b>Exercisable till the period end (5 years from last vesting date)</b>	<b>31/03/2030</b>	<b>29/06/2030</b>	<b>23/08/2030</b>

**b) Fair Value of Stock Options granted:**

Fair Value of Stock Options was calculated using the Black Scholes Model. The key assumptions used for calculating the option fair value are as below:

Particulars	Risk free interest rate	Expected volatility	Dividend yield	Issue price at Grant Date (INR) (*)	Exercise price (INR)
<b>Grant 1 - 1st April 2021</b>					
1st Vesting - 25% of total	3.93%	70.71%	0.00%	48.00	27.00
2nd Vesting - 20% of total	4.54%	71.04%	0.00%	51.68	27.00
3rd Vesting - 20% of total	4.93%	71.64%	0.00%	54.61	27.00
4th Vesting - 35% of total	5.59%	72.45%	0.00%	57.18	27.00
<b>Grant 2 - 30th June 2021</b>					
1st Vesting - 25% of total	4.09%	69.90%	0.00%	66.72	27.00
2nd Vesting - 20% of total	4.59%	70.50%	0.00%	70.05	27.00
3rd Vesting - 20% of total	4.89%	71.65%	0.00%	73.08	27.00
4th Vesting - 35% of total	5.65%	71.80%	0.00%	75.78	27.00
<b>Grant 3 - 24th August 2021</b>					
1st Vesting - 25% of total	4.17%	71.04%	0.00%	55.22	27.00
2nd Vesting - 20% of total	4.48%	70.94%	0.00%	58.71	27.00
3rd Vesting - 20% of total	4.93%	71.99%	0.00%	61.79	27.00
4th Vesting - 35% of total	5.41%	71.87%	0.00%	64.24	27.00

During the year, the Group has recognized an expense of Rs. 51.40 lakhs (31 March, 2021 - Nil)

(\*) Issue price includes the strike price, i.e. amount to be paid by employee and call price, i.e. the cost recognised and to be recognised in the Statement of Profit and Loss over the vesting period calculated under Black Scholes Model.



**FINKURVE FINANCIAL SERVICES LIMITED**  
**Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2022**  
**(All amounts in INR in Lakhs, unless otherwise stated)**

**Segment information**

The Group primarily operates in Financing and other activities. Further, all activities are carried out within India. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM), there are no other operating segments which are identified as such and need to be reported.

**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.

Particulars	As at 31 March 2022			As at 31 March 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>						
<b>Financial Assets</b>						
Cash and cash equivalents	263.11	-	263.11	1,024.13	-	1,024.13
Bank Balance other than above	-	-	-	-	464.12	464.12
Receivables						
- Trade receivables	-	-	-	51.92	25.97	77.89
Loans	10,183.93	7,136.15	17,320.08	3,301.66	16,653.57	19,955.23
Investments	0.05	508.45	508.50	25.71	394.38	420.09
Other financial assets	192.86	4.17	197.02	50.29	18.49	68.79
<b>Non Financial Assets</b>						
Current tax assets (net)	75.49	-	75.49	57.06	-	57.06
Deferred tax assets (net)	-	147.03	147.03	-	171.91	171.91
Property, plant and equipment	-	38.08	38.08	-	59.69	59.69
Right of use assets	-	22.51	22.51	-	118.35	118.35
Other intangible assets	-	1.65	1.65	-	13.17	13.17
Other non financial assets	41.62	-	41.62	44.55	-	44.55
<b>Total Assets</b>	<b>10,757.05</b>	<b>7,858.04</b>	<b>18,615.09</b>	<b>4,555.31</b>	<b>17,919.65</b>	<b>22,474.96</b>
<b>Liabilities</b>						
<b>Financial liabilities</b>						
Payables						
- Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	9.19	-	9.19	9.16	-	9.16
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	141.86	-	141.86	116.84	-	116.84
Borrowings (Other than debts securities)	1,857.64	511.07	2,368.71	7,153.48	465.39	7,618.88
Lease liabilities	16.58	16.34	32.92	34.75	104.32	139.07
Other financial liabilities	126.35	53.87	180.22	62.15	22.50	84.65
<b>Non financial liabilities</b>						
Current tax liabilities (net)	-	-	-	110.50	-	110.50
Provisions	0.13	1.10	1.13	0.04	4.44	4.47
Other non-financial liabilities	66.23	-	66.23	390.14	-	390.14
<b>Total liabilities</b>	<b>2,217.96</b>	<b>592.28</b>	<b>2,810.24</b>	<b>7,877.07</b>	<b>596.65</b>	<b>8,473.72</b>

Fair values

(a) Financial instruments by category:

Particulars	As at 31 March 2022				Total carrying value	Total Fair value
	Amortized cost	At fair value through profit or loss	Other			
<b>Financial assets</b>						
Cash and bank balances	263.11	-	-		263.11	263.11
Bank Balance other than above	-	-	-		-	-
Trade receivables	-	-	-		-	-
Loans	17,320.08	-	-		17,320.08	17,320.08
Investments	-	508.50	-		508.50	508.50
Other financial assets	197.02	-	-		197.02	197.02
	<b>17,780.22</b>	<b>508.50</b>	-		<b>18,288.71</b>	<b>18,288.71</b>
<b>Financial liabilities</b>						
Trade payables	151.05	-	-		151.05	151.05
Borrowings	2,368.71	-	-		2,368.71	2,368.71
Lease Liabilities	32.92	-	-		32.92	32.92
Other financial liabilities	180.22	-	-		180.22	180.22
	<b>2,732.89</b>	-	-		<b>2,732.89</b>	<b>2,732.89</b>

Particulars	As at 31 March 2021				Total carrying value	Total fair value
	Amortized cost	At fair value through profit or loss	Other			
<b>Financial assets</b>						
Cash and bank balances	1,024.13	-	-		1,024.13	1,024.13
Bank Balance other than above	464.12	-	-		464.12	464.12
Trade receivables	77.89	-	-		77.89	77.89
Loans	19,955.23	-	-		19,955.23	19,955.23
Investments	-	420.09	-		420.09	420.09
Other financial assets	68.79	-	-		68.79	68.79
	<b>21,590.16</b>	<b>420.09</b>	-		<b>22,010.24</b>	<b>22,010.24</b>
<b>Financial liabilities</b>						
Trade payables	126.00	-	-		126.00	126.00
Borrowings	7,618.88	-	-		7,618.88	7,618.88
Lease Liabilities	139.07	-	-		139.07	139.07
Other financial liabilities	84.65	-	-		84.65	84.65
	<b>7,968.60</b>	-	-		<b>7,968.60</b>	<b>7,968.60</b>



**(d) Significant unobservable input(s) for Level 3 hierarchy**

The fair value of financial instruments that are not traded in active market is determined by using valuation techniques. The Group uses judgement to select from variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Significant inputs considered in valuation are Terminal Growth rate, Weighted average cost of capital and computation of Net asset value in case of certain investments.

**Relationship of unobservable inputs to fair value and sensitivity**

Increase or decrease in multiple will result in increase or decrease in valuation.

**Financial risk management objectives and policies**

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's Board of Directors has appropriate financial risk governance framework for the Group. The Board of Directors govern the Group's financial risk activities by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below.

**Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises 3 types of risk: interest rate risk and currency risk. Financial instruments affected by market risk includes loans, Investment in units of mutual fund, and borrowings.

**Interest rate risk:**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk primarily from borrowings. The Group monitors the changes in interest rates and actively regarding finances its debt obligations and/or re-evaluate the investment position to achieve an optimal interest rate exposure.

The Group's borrowings are majorly is at fixed interest dates and accordingly, the Group is not exposed to any significant interest rate risk.

**Foreign currency risk and sensitivity**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The carrying amount of Group's unhedged foreign currency exposure at the end of the reporting period are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Foreign currency in hand	-	608.60
The sensitivity of profit or loss to changes in the exchange rate arise mainly from foreign currency denominated financial instruments as mentioned below		
Impact of 2%		
Increase in exchange rate*	-	12.17
Decrease in exchange rate*	-	(12.17)

**Investment price risk**

The group's exposure in Investment in equity share & mutual funds - Quoted as at 31 March 2022 is INR 0.05 lakhs (31 March 2021 Rs. 25.70 lakhs) and as a result the impact of any price change will not have a material effect on the profit or loss of the Group.

**Credit Risk**

The Group is exposed to credit risk from their operating activities (primarily Loans given), The Group manage the credit risk by continuously monitoring the creditworthiness of customers. The Group has used a practical expedient by computing the expected credit loss allowance for external trade receivables based on a provision matrix. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Expected credit loss on loans given is Rs. 774.02 lakhs (31 March 2021 - Rs 593.44 lakhs)

**Liquidity Risk**

Liquidity risk refers to insufficiency of funds to meet the financial obligations. The Group manages liquidity risk by borrowings, fund infusion by issue of equity shares/preference shares, continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Year ended 31 March 2022	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	1,079.16	511.07	778.48	2,368.71
Trades payables	151.05	-	-	151.05
Lease Liabilities	16.58	16.34	-	32.92
Other Financial Liability	180.22	-	-	180.22
Year ended 31 March 2021	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	7,153.48	465.39	-	7,618.88
Trades payables	126.00	-	-	126.00
Lease Liabilities	34.75	104.32	-	139.07
Other Financial Liability	84.65	-	-	84.65

**Capital management**
**Risk management**

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

The Group monitors capital using a capital adequacy ratio as prescribed by Reserve Bank of India.

**39. Recent accounting and other pronouncements :**

**(A) New Standards issued or amendments to the existing standard but not yet effective :**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no impact on its financial statements.

(c) Ind AS 103 | Business combinations – The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.

(d) Ind AS 109 | Financial instruments – The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

**(B) other recent pronouncements :**

(a) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the group towards Employee Benefit Plan. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

(b) Ministry of Corporate Affairs issued notifications dated 24 March 2021 to amend Schedule - III to the Companies Act, 2013 to enhance the disclosures required to be made by the Group in its financial statements. These amendments are applicable to the Group for the Financial Year starting 01 April 2021. Amendments relating to Division III of Schedule III which relates to the NBFC whose financial statements are required to comply with Companies (Indian Accounting Standard) Rules 2015 as amended by Companies (Indian Accounting Standard) Rules 2016 have been complied with by the Group.

(c) On November 12th 2021, the Reserve Bank of India (RBI) had issued circular no. RBI/2021-2022/125 DOR.STR. REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms (IRACP norms) pertaining to Advances. On February 15th 2022, the RBI had issued another circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 providing time till September 30th 2022. Accordingly, the Company will implement the updated norms under IRACP w.e.f. 1st October 2022.

**40. Reconciliation of movement of liabilities to cash flows arising from financing activities**

	Year ended 31 March 2022	Year ended 31 March 2021
Opening Balance	7,618.88	7,322.48
Add: Cash flows (net)	(5,206.39)	296.40
Less: Deduction on De-Consolidation of Subsidiary	(43.78)	-
<b>Closing Balance</b>	<b>2,368.71</b>	<b>7,618.88</b>

**41. Note on Covid**

The significant increase in economic activities post easing of lockdown by the state governments due to Covid-19 had resulted in improvement in business operations of the Group. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Group's management is continuously monitoring the situation and the economic factors affecting the operations of the Group.

**42. Registration of charges or satisfaction with Registrar of Companies (ROC)**

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended 31 March 2022 and 31 March 2021. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

**43. Event after reporting date**

There have been no events after the reporting date.

**44. Compliance with number of layers of companies**

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31 March 2022 and 31 March 2021.

**45. Utilisation of Borrowed funds and share premium**

The Group, as part of its normal business, grants loans and advances, makes investment and obtains borrowings from bank and other entities. These transactions are part of Group's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has also not received any fund from any parties (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**46.. Compliance with approved Scheme(s) of Arrangements**

There is no any scheme of Arrangement or Amalgamation initiated or approved by the Board of Directors and / or Shareholders of the Company or competent authority during the year ended 31 March 2022 and 31 March 2021.

**47. Undisclosed income**

There are no transactions which have not been recorded in the books of accounts.

**48. Title deeds of Immovable Properties not held in name of the Group**

The Group does not possess any immovable property (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) during the financial year ended 31 March 2022 and 31 March 2021.

**49. Information about the Loans and Advances in the nature of loans to related parties**

Type of Borrower	As at 31 March 2022		As at 31 March 2021	
	Amount Outstanding	% of Total Loans	Amount Outstanding	% of Total Loans
Promoters	-	0.00%	-	0.00%
Directors	-	0.00%	-	0.00%
Key Managerial Person	-	0.00%	-	0.00%
Related Parties	4,212.44	23.28%	13,040.81	63.48%

**50 Analytical Ratios**

Particulars	As at 31 March 2022			As at 31 March 2021	% Variance	Reasons for variance (if above 25%)
	Numerator	Denominator	Ratio	Ratio		
Capital to risk-weighted assets ratio (CRAR)	13,057.91	15505.32	84.22%	19.89%	323.46%	Increase in ratio due to reduction in loans to related parties which were received in FY22
Tier I CRAR	12,967.87	15505.32	83.63%	18.28%	357.62%	
Tier II CRAR	90.05	15505.32	0.58%	1.61%	-63.89%	Reduction on account of decrease in provisioning of standard assets due to decrease in AUM
Liquidity Coverage Ratio	(*)	(*)	(*)	(*)	(*)	(*)

(\*) The group have not accepted any deposit and do not have any obligation resulting into cash outflow in next 30 days hence, LCR is not applicable

**51. Details of Crypto Currency or Virtual Currency**

The Group has not traded or invested in Crypto currency or Virtual currency during the current or preceding financial year.

**52. Details of Benami Property Held**

No proceedings have been initiated during the financial year or pending as at the end of the financial year against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**53. Wilful Defaulter**

The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender in the current or preceding financial year.

**54. Relationship with Struck off Companies**

The Group have not entered into any transaction during the current or previous financial year with the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and there is no outstanding receivable from / payable to such companies as at the end of year.

**55. Disclosure of Penalties imposed by RBI and other regulators**
**Details of Penalties levied by various regulators:**

No penalties have been levied by any regulator on the Group for the year ended 31 March 2022 and 31 March 2021.

**56. Additional disclosure mandated by Schedule III of Companies Act, 2013**

As mentioned in note 1, part A and part B (a) under consolidation procedure, in view of facts that the erstwhile subsidiary company of Finkurve Financial Services Limited, M/s Arvog Forex Private Limited (formerly known as Supama Forex Private Limited), which was the only subsidiary company under the group, ceases to be the subsidiary with effective from 11th february 2022, additional information of net assets, share in profit and loss, share in other comprehensive income, share in total comprehensive income and proportion of ownership interest in subsidiary as at and for the year ended 31 March 2022 is not applicable.

57. The Group is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

58. The financial statements were approved for issue by the Board of Directors on 30 May 2022.

59. The previous year's figures have been recast / regrouped / rearranged wherever considered necessary to meet the requirements of Ind AS.

**As per our report of even date attached**

For P. D. Saraf & Co  
Chartered Accountants  
Firm Registration No : 109241W

Sd/-  
N. L. Maheshwari  
Partner  
Membership No.: F - 11347

Place: Mumbai  
Date: 30th May 2022

For and on behalf of the Board of Directors  
of Finkurve Financial Services Limited

Sd/-  
Ketan Kothari  
Director  
DIN: 00230725

Sd/-  
Aakash Jain  
Chief Financial  
Officer

Sd/-  
Narendra Jain  
Director  
DIN: 08788557

Sd/-  
Sunny Parekh  
Company Secretary  
M.No. ACS32611



**FINKURVE FINANCIAL SERVICES LIMITED**

Notes forming part of the Consolidate Financial Statements for the year ended 31 March 2022

(All amounts in INR in Lakhs, unless otherwise stated)

**Working for terms used in Ratio**

<b>A. Calculation of Tier I Capital</b>	<b>2021-22</b>	<b>2020-21</b>
Paid up Share Capital	126,858,198	126,858,198
Reserve & Surplus	1,453,626,107	1,251,329,029
Deferred Tax Asset - to be treated as Intangible asset - as per Master Direction	14,702,724	17,190,610
Unrealised gains on financial instruments (net)	-3,770,840	-14,656,491
Book Value of Intangible Asset	164,868	1,317,104
<b>Owned Funds - As per Definition provided in RBI Master Direction</b>	<b>1,591,581,058</b>	<b>1,382,038,451</b>
10% of Owned Fund	159,158,106	138,203,845
<b>Excess of 10% of Own Funds to be reduced from Own Funds with Following items</b>		
Less : Investment in shares of other NBFC		
Less : Investment in shares, debentures, bonds of Subsidiaries		
Less : Loans and Advances to Related Parties	421,243,949	1,304,081,280
	<u>421,243,949</u>	<u>1,304,081,280</u>
<b>Excess of 10% of Own Funds</b>	<b>-262,085,843</b>	<b>-1,165,877,435</b>
<b>Tier I Capital - as defined in RBI Master Direction</b>	<b><u>1,329,495,215</u></b>	<b><u>216,161,016</u></b>
<b>B. Calculation of Tier II Capital</b>		
Preference shares other than those which are compulsorily convertible into equity	-	-
Revaluation reserves at discounted rate of fifty five percent	-	-
General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets	9,004,568	15,466,953
Hybrid debt capital instruments ("Hybrid debt" means capital instrument which possesses certain characteristics of equity as well as of debt)	-	-
Subordinated debt; (and to the extent the aggregate does not exceed Tier I capital.)	-	-
<b>Tier II Capital</b>	<b><u>9,004,568</u></b>	<b><u>15,466,953</u></b>
<b>C. Total Capital - Total of Tier I and Tier II Capital</b>	<b><u>1,338,499,783</u></b>	<b><u>231,627,969</u></b>
<b>D. Risk Weighted Assets</b>	<b>1,553,505,806.43</b>	<b>963,658,007.46</b>
<b>E. Capital to Risk Weighted Assets Ratio</b>	<b>86.16%</b>	<b>24.04%</b>
Tier I CRAR Ratio	85.58%	22.43%
Tier II CRAR Ratio	0.58%	1.61%
<b>F. LCR - High Quality Liquid Asset as Numerator and net cash outflow in 30 days as denominator</b>		

ANNUAL REPORT  
2021 - 2022



Finkurve Financial Services Limited  
CIN: L65990MH1984PLC032403