

STEPHANOTIS FINANCE LIMITED

(FORMERLY: VORA CONSTRUCTIONS LTD)

3, Ground Floor, Durga Chambers, Veena Industrial Estate, Off Veera Desai Road, Andheri (W) Mumbai – 400 053

Email ID: voraconstructions@ymail.com CIN: L45200MH1985PLC036089

Website: www.stephanotis.in

Tel. No.: - 022-66929290

Date: 03rd January, 2023

**To,
The Corporate Service Department,
BSE Limited
P.J. Towers, Dalal Street,
Mumbai- 400001.**

Scrip Code: 512215

Sub: Submission of Annual Report under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir / Madam,

Please find enclosed Notice of 37th Annual General Meeting and copy of Annual Report as per Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the year ended 31st March, 2022 for your records.

Kindly take note of the same and oblige.

For STEPHANOTIS FINANCE LIMITED,

**Sureshababu Ganpati Malge
Managing Director
DIN: 01481222**

Encl.: Annual Report for the year ended 31st March, 2022.

**37th
Annual Report
2021-22**



Registered Office:
STEPHANOTIS FINANCE LIMITED
(Formerly Vora Constructions Limited)
03rd, Ground Floor, Durga Chamber, Veena Industrial Estate,
Off Veera Desai Road, Andheri (West), Mumbai – 400 053
CIN:L45200MH1985PLC036089
Email:voraconstructions@ymail.com

CORPORATE INFORMATION**37TH ANNUAL GENERAL MEETING
FRIDAY, JANUARY 27, 2023****BOARD OF DIRECTORS**

MR. SURESH BABU MALGE
(Chairman & Managing Director)
MR. SUMIT MALGE
(Director)
MR. JAYESH SHAH
(Independent Director)
MRS. RIZWANA MUAZZAM RUMANI
(Independent Director)
MR. KANWALJIT SINGH (Upto 13.08.2022)
(Independent Director)
MR. ALIND GUPTA (appointed w.e.f 13.08.2022)
(Non-executive Independent Director)

CHIEF EXECUTIVE OFFICER

SONU SURESHBABU MALGE

CHIEF FINANCE OFFICER

ANAND SURESH JAIN

COMPANY SECRETARY

RASHMI RATURI
(Upto 30.09.2022)

BANKERS

INDIAN BANK
Mumbai
AXIS BANK
Thane

AUDITORS

NGST & ASSOCIATES
Chartered Accountants,
1111/11th Floor, Ghanshyam
Enclave, Laljipada Police Chowki,
Link Road, Kandivali (West),
Mumbai – 400 067

SECRETARIAL AUDITOR

SHREYAS ATHAVALE & CO.
Practicing Company Secretary,
Mumbai

REGISTERED OFFICE

3, Ground Floor, Durga Chambers,
Veena Industrial Estate Off Veera
Desai Road, Andheri (W), Mumbai –
400 053
Email:
voraconstructions@ymail.com
CIN: L45200MH1985PLC036089

SHARE TRANSFER AGENT

PURVA SHAREGISTRY INDIA PVT.
LTD.,
Shiv Shakti Industrial Estates, G.
Floor, Unit No. 9, 7-B, J. R. Boricha
Marg, Sitaram Mill Compound,
Mumbai- 400 011.
Phone: (022) 2301 6761/ 2301 8261
Fax: (022) 2301 8261

NOTICE

NOTICE is hereby given that 37th Annual General Meeting of Stephanotis Finance Limited (Formerly Known as Vora Constructions Ltd) will be held on Friday, 27th January, 2023 at 10.00 a.m. through Video- conference (VC) / Other Audio-Visual Means (OAVM) to transact following business:

Ordinary Business:

- 1.To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2022 and the Reports of Directors and Auditors thereon.
- 2.To appoint a Director in place of Mr. Suresh Babu Malge (DIN: 01481222), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
- 3.To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s NGST & Associates., Chartered Accountants, Mumbai (ICAI Firm Registration No. 135159W) be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office for period of five years from the conclusion of this 37th Annual General Meeting the Company till the conclusion of the 42nd Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

Special Business:

- 4.To appoint Mr. Suresh Babu Malge (DIN:01481222) as Chairman & Managing Director of the Company for a period of 5 Years and increase his remuneration.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act,2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act , based on the recommendation of the Nomination and Remuneration Committee and approval of the Board, consent of the Members be and is hereby accorded to appoint Mr. Suresh Babu Malge (DIN:01481222) , who has signified his consent to be appointed as Chairman and Managing Director of the Company to hold the office for a period of 5 (Five) years effective from 28th July, 2022 upon the terms and conditions including remuneration payable to him set out in the explanatory Statement annexed to the notice of Annual General Meeting.

RESOLVED FURTHER THAT the remuneration payable to Mr. Suresh Babu Malge shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.

5. To appoint Mr. Jayesh Shah (DIN:00268076) as an Independent Non-executive Director for the second term of 5 years:

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

"RESOLVED THAT pursuant to Sections 149,152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Members be and is hereby accorded for appointment of Mr. Jayesh Shah (DIN: 00268076), as an Independent Director of the Company for the second term of 5 years from 01st September, 2022 until the 01st September, 2027 and in respect to which the Company has received the declaration of independence under Section 149(6) of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Jayesh Shah as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for second term of five years from 01st September, 2022 up to 01st September 2027 and whose office shall not be liable to retire by rotation.

6. To appoint Mr. Alind Arvind Gupte (DIN: 09703767) as an Independent Director of the Company for three years :

To consider and, if thought fit, to pass the following resolution as an **Ordinary 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. Alind Arvind Gupte (DIN: 09703767), who was appointed as an Additional Non-executive Independent Director and who holds office of Additional Non-executive Independent Director up to the date of this Annual General Meeting , who qualifies for being appointed as an Independent Director and meets the criteria for being appointed as an Independent Director 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 appointed as an Non-executive Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 3 (three) consecutive years commencing from 13th August, 2022 upto 13th August, 2025.

7. To appoint Mrs. Rizwana Muazzam Rumani (DIN: 08122263) as an Independent Director of the Company for the second term of 5 years:

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

"RESOLVED THAT pursuant to Sections 149,152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Members be and is hereby accorded for appointment of Mrs. Rizwana Muazzam Rumani (DIN: 08122263), as an Independent Director of the Company for the second term of 5 years until the 12th May, 2027 and in respect to which the Company has received the declaration of independence under Section 149(6) of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Rizwana Muazzam Rumani as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for second term of five years from 12th May, 2022 up to 12th May, 2027 and whose office shall not be liable to retire by rotation.

8: To Increase in the remuneration of Mr. Sumit Malge (DIN: 02413173), 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 Section 197, 198 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and Rules made thereunder, applicable clauses of the Articles of Association of the Company and based on recommendation of the Nomination and Remuneration Committee and Audit Committee, consent of Members be and is hereby accorded for increase in remuneration of Mr. Sumit Malge [DIN: 02413173], Director of the Company, from existing Rs. 12,00,000/- per annum to Rs. 24,00,000/- per annum with effect from 27.01.2023.

RESOLVED FURTHER THAT the Board and Key Managerial Personnel be and are hereby everally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”

9: To Increase in the remuneration of Mr. Sonu Malgee, CEO of the Company.

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

“RESOLVED THAT pursuant to the provisions of Section 197, 198 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and Rules made thereunder, applicable clauses of the Articles of Association of the Company and based on recommendation of the Nomination and Remuneration Committee and Audit Committee, consent of Members be and is hereby accorded for increase in remuneration of Mr. Sonu Malgee, CEO of the Company, from existing Rs. 12,00,000/- per annum to Rs. 24,00,000/- per annum with effect from 27.01.2023.

RESOLVED FURTHER THAT the Board and Key Managerial Personnel be and are hereby everally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”

10. Increase in Authorised Share Capital of the Company from existing Rs. 9,00,00,000 divided into 90,00,000 Equity shares of Rs. 10 each to Rs. 57,00,00,000/- divided into 5,70,00,000 Equity shares of Rs. 10/- each and accordingly alteration in Memorandum of Association of the Company:

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

“RESOLVED THAT pursuant to the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed there under, including any statutory modification(s), consent of the members be and hereby accorded to increase the Authorized Share Capital of the Company from Rs. 9,00,00,000/- (Rupees Nine Crores Only) divided into 90,00,000 (Ninety Lakhs) Equity shares of Rs. 10/- (Rupees Ten Only) each to Rs.57,00,00,000/-(Rupees Fifty Seven Crores Only) divided into 5,70,00,000 (Five Crores Seventy Lakhs) Equity shares of Rs. 10/- (Rupees Ten Only) each.” The Authorized Capital of the Company is hereby increased by Rs 48,00,00,000/- (Rupees Forty Eight Crores Only) divided into 4,80,00,000 (Four Crores Eighty Lakhs) Equity Shares of Rs 10/-(Rupees Ten Only).

RESOLVED FURTHER THAT pursuant to the provisions of Sections 13, 61 and 64 of the Companies Act, 2013 the existing Clause V of the Memorandum of Association is substituted by the following figures and words namely:

The Authorized Share Capital of the Company is Rs. 57,00,00,000/-(Rupees Fifty Seven Crores Only) divided into 5,70,00,000 (Five Crores Seventy Lakhs) Equity shares of Rs. 10/- (Rupees Ten Only) each.

RESOLVED FURTHER THAT 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 constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to do all such acts, deeds and things as may be necessary and incidental for giving effect to this Resolution including filing of all forms, documents with Registrar of Companies and for all the matters connected therewith or incidental thereto, including delegation of any of the powers herein conferred to on any Director(s), Company Secretary or any other officer of the Company.”

Date: 30th December, 2022
Place: Mumbai

For Stephanotis Finance Limited
(Formerly Vora Constructions Ltd.)
Sd/-
Sureshababu Malge
Chairman & Managing Director

Registered Office:
3rd, Ground Floor, Durga Chambers, Veena Industrial Estate,
Off Veera Desai Road, Andheri(W), Mumbai- 400053

NOTES**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

3. The Register of Members and Share Transfer Books of the Company will remain closed from 21st January, 2023 to 27th January, 2023 (both days inclusive).

4. Members are requested to expeditiously intimate any change in their address registered with the Company. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, M/s. Purva Sharegistry (India) Pvt. Ltd.

5. Members are requested to bring their attendance slip along with copy of the Annual Report at the time of Annual General Meeting.

6. The Notice of AGM along with the Annual Report 2021-22 is being sent by electronic mode to those members whose email addresses are registered with the Company / Depositories and by way of speed post to those who have not registered their mail ID with the Company/ Depository.

7. Shareholders desiring any information as regards the proposed resolutions are requested to write to the Company at least seven working days in advance so as to enable the management to keep the information ready at the meeting.

8. In the terms of Section 72 of the Companies Act, 2013, nomination facility is available to the individual shareholder. The shareholders who are desirous of availing this facility may kindly write to the Registrars & Transfer Agents in Form SH-13 prescribed by the Government which can be obtained from the Company's R&T Agent.

9. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business to be transacted at the Meeting is annexed hereto.

10. Shareholders holding Physical Shares:

Pursuant to the amendment to the Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, vide gazette Notification dated 08th June, 2018 that except in case of transmission or transposition of securities, requests for affecting the transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository w.e.f. December 05, 2018.

According to this amendment, the requests for affecting the transfer of listed securities shall not be processed unless the securities are held in the dematerialized form with a depository. Therefore for affecting any transfer, the securities shall mandatorily require to be in Demat form.

Based on above, all the shareholders holding physical shares are requested to convert their shares in electronic form i.e. Demat form at the earliest before 05th December, 2018.

11. Update of PAN and Bank Detail

With Reference to the SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

Shareholders holding physical shares are requested to submit their Permanent Account Number (PAN) and Bank Account details to the RTA of the company (**Purva Sharegistry (I) Pvt. Ltd.**), if not already registered

Members holding shares in dematerialized mode are requested to submit their PAN and Bank details to their respective DPs with whom they are maintaining their Demat account.

Please send KYC form enclosed herewith to RTA duly filled with required information.

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 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

- i. 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.
- ii. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- ii. A new screen will open. You will have to enter your User ID, your Password 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.

v. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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***

v. Your password details 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. .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, your ‘initial password’ is communicated to you on your postal address.
- vi. 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.
 - b) **[Physical User Reset Password?”](#)** (If you are holding shares in physical mode) option available on 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 mentioning your demat account number/folio number, your PAN, your name and your registered address.
- ii. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- ii. Now, you will have to click on “Login” button.
- x. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:**How to cast your vote electronically on NSDL e-Voting system?**

- i. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- ii. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- iii. Select “EVEN” of company for which you wish to cast your vote.
- iv. Now you are ready for e-Voting as the Voting page opens.
- v. 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.
- vi. Upon confirmation, the message “Vote cast successfully” will be displayed.
- vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 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 - - - - - evoting@nsdl.co.in with a copy marked to evoting@nsdl.co.in.
- 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 to reset the password.
- 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 or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

12. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 20th January, 2023
13. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20th January, 2023 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA.
14. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
15. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
16. Mrs. Pooja Gandhi, Practicing Company Secretary, (COP No. 20135) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
17. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
18. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

19. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.stephanotis.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

Date: 30th December, 2022
Place: Mumbai

For Stephanotis Finance Limited
(Formerly Vora Constructions Ltd.)
Sd/-
Sureshababu Malge
Chairman & Managing Director

Registered Office:
3rd, Ground Floor, Durga Chambers, Veena Industrial Estate,
Off Veera Desai Road, Andheri(W), Mumbai- 400053

EXPLANATORY STATEMENT IN RESPECT OF THE NOTICE PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 FOR THE FOLLOWING ITEMS:**ITEM NO. 4:**

Based on the recommendations and approval of the Nomination and Remuneration Committee and the Audit Committee of your Company, the Board re-appointed Mr. Suresh Babu Malge as an Director (Chairman and Managing Director) of the Company with effect from 28/07/2022 for a period of 5 Years Pursuant to the provisions of Section 161(1), section 196 and 203 of the Companies Act, 2013 and the Articles of Association of the Company and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof).

The Members may note that the tenure of appointment of Mr. Suresh Babu Malge, Managing Director is for the period of 5 (five years), i.e., effective from 28/07/2022 to 28/07/2027 and on a increased remuneration of Rs. 3,00,000 per month for period of 3 years w.e.f 28/07/2022 to 28/07/2025 for which approval of the shareholders is being sought. The present remuneration of Mr. Suresh Babu Malge is Rs.100,000/- per month. The Members may note that the Company has received a letter of consent from Mr. Suresh Babu Malge signifying his willingness to be appointed as Managing Director, a declaration under section 164 of the Companies Act, 2013 and other statutory disclosures/declarations as required under the law the essential terms and condition of his appointment and remuneration are as under

a) Scope of Work:

Mr. Suresh Babu Malge shall be responsible for overseeing for the day to day operations and management of the Company and such other matters as identified by the Board from time to time. Mr. Suresh Babu Malge shall devote his whole time and attention to the business of the Company. Mr. Suresh Babu Malge shall exercise and perform all such powers and duties as the Board of Directors of the Company shall, from time to time, determine, and subject to the superintendence, control, direction, and restriction from time to time give and imposed by the Board and/or the Articles of Association of the Company and shall not exceed the powers so delegated by the Board.

b) Period of Appointment:

28th July, 2022 to 28th July 2027.

c) Minimum Remuneration:

Rs.3,00,000/- per month .

Mr. Suresh Babu Malge (DIN: 01481222) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Mr. Suresh Babu Malge has very good experience in the Construction business. He is willing to provide his services as Chairman and Managing Director of the Company up to Five (5) Years.

The resolution seeks the approval of shareholders for the appointment of Mr. Suresh Babu Malge as the Chairman and Managing Director of the Company for a period not exceeding 5 (five) years, pursuant to Section 196 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) except Mr. Suresh Babu Malge (DIN: 01481222) to whom the resolution relates and Mr. Sumit Malge, Director and his relatives, Mr. Sonu Sureshbabu Malgee, CEO and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no.4 of the Notice. A profile of Mr. Suresh Babu Malge is set out herein below the notice.

ITEM NO 5:

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report.

Mr. Jayesh Shah (DIN: 00268076) was appointed as an Independent Director of the Company on 01st September, 2017 for a tenure of 5 years. Based on his skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee and the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the re-appointment of Mr. Jayesh Shah (DIN: 00268076) as an Independent Director for a second and final term of five years from the conclusion of this 37th AGM up to the conclusion of AGM to be held in the year 2027.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a Member signifying his intention to propose the candidature of Mr. Jayesh Shah (DIN: 00268076) as an Independent Director, to be re-appointed under the provisions of Section 149(10) of the Act. The Company has received requisite consent/declarations for appointment of Mr Jayesh Shah as an Independent Director as required under the Act and rules made thereunder. In the opinion of the Board and based on the Board's evaluation, Mr. Jayesh Shah fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his re-appointment as an Independent Director from the Company and he is independent of the Management.

A copy of the draft letter for the re-appointment of Mr. Jayesh Shah as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on all working days except Saturdays and Sundays up to the date of ensuing AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Jayesh Shah as an Independent Director, the Board recommends the resolution set forth in Item No. 5 relating to the re-appointment of Mr. Jayesh Shah as an Independent Director of the Company, who shall be not liable to retire by rotation, by way of Special Resolution. In compliance with the general circular number 20/2020 dated May 5, 2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

A brief profile and other information as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 issued by ICSI is provided as Annexure to this Notice.

Except Mr. Jayesh Shah, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO 6:

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to Three years on the Board of the Company.

Mr. Alind Arvind Gupte (DIN: 09703767) was appointed as an Independent Director of the Company on 13th August, 2022 for a tenure of 3 years. Based on his skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee and the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the appointment of Mr. Alind Arvind Gupte (DIN: 09703767) as an Independent Director for the first term of three years from the conclusion of this 37th AGM up to the conclusion of AGM to be held in the year 2025.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a Member signifying his intention to propose the candidature of Mr. Alind Arvind Gupte (DIN: 09703767) as an Independent Director, to be re-appointed under the provisions of Section 149(10) of the Act. The Company has received requisite consent/declarations for appointment of Mr. Alind Gupte as an Independent Director as required under the Act and rules made thereunder. In the opinion of the Board and based on the Board's evaluation, Mr. Alind Gupte fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his re-appointment as an Independent Director from the Company and he is independent of the Management.

A copy of the draft letter for the re-appointment of Mr. Alind Gupte as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on all working days except Saturdays and Sundays up to the date of ensuing AGM.

The Board considers that his continued association would be of immense benefit to the Company

and it is desirable to continue to avail the services of Mr. Alind Gupte as an Independent Director, the Board recommends the resolution set forth in Item No. 6 relating to the re-appointment of Mr. Alind Gupte as an Independent Director of the Company, who shall be not liable to retire by rotation, by way of Special Resolution. In compliance with the general circular number 20/2020 dated May 5, 2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

A brief profile and other information as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 issued by ICSI is provided as Annexure to this Notice.

Except Mr. Alind Gupte, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO 7:

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report.

Mrs. Rizwana Muazzam Rumani (DIN: 08122263) was appointed as an Independent Director of the Company on 12th May, 2018 for a tenure of 5 years. Based on her skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee and the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the re-appointment of Mrs. Rizwana Muazzam Rumani (DIN: 08122263) as an Independent Director for a second and final term of five years from the conclusion of this 37th AGM up to the conclusion of AGM to be held in the year 2027.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a Member signifying his intention to propose the candidature of Mrs. Rizwana Muazzam Rumani (DIN: 08122263) as an Independent Director, to be re-appointed under the provisions of Section 149(10) of the Act. The Company has received requisite consent/declarations for appointment of Mrs Rizwana Rumani as an Independent Director as required under the Act and rules made thereunder. In the opinion of the Board and based on the Board's evaluation, Mrs Rizwana Rumani fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his re-appointment as an Independent Director from the Company and he is independent of the Management.

A copy of the draft letter for the re-appointment of Mrs Rizwana Rumani as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on all working days except Saturdays and Sundays up to the date of ensuing AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mrs Rizwana Rumani as an Independent Director, the Board recommends the resolution set forth in Item No. 7 relating to the re-appointment of Mrs Rizwana Rumani as an Independent Director of the Company, who shall be not liable to retire by rotation, by way of Special Resolution. In compliance with the general circular number 20/2020 dated May 5, 2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

A brief profile and other information as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 issued by ICSI is provided as Annexure to this Notice.

Except Mrs Rizwana Rumani, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO. 8

As recommended by Nomination & Remuneration Committee, The Board of Directors of the Company at their Board meeting held on 30th December, 2022, has evaluated the performance of the Directors and in accordance with Company's performance and Industry norms,

recommended increase in the ceiling limit of gross remuneration payable to Mr. Sumit Malge [DIN: 02413173] from existing Rs. 12,00,000/- per annum to Rs. 24,00,000 per annum. In line with the regulatory requirements, subject to approval of the members, revised ceiling limit shall be effective from 27.01.2023.

Your Directors recommend the proposal for your approval as a Special Resolution.

None of the Directors or Relatives of Directors other than Mr. Sumit Malge, Mr. Sureshbabu Ganpati Malge, Mr. Sonu Sureshbabu Malge are interested in the said resolution.

ITEM NO. 9:

As recommended by Nomination & Remuneration Committee, The Board of Directors of the Company at their Board meeting held on 30th December, 2022, has evaluated the performance of the Directors and in accordance with Company's performance and Industry norms, recommended increase in the ceiling limit of gross remuneration payable to Mr. Sonu Malge CFO of the company from existing Rs. 12,00,000/- per annum to Rs. 24,00,000 per annum. In line with the regulatory requirements, subject to approval of the members, revised ceiling limit shall be effective from 27.01.2023.

Your Directors recommend the proposal for your approval as a Special Resolution.

None of the Directors or Relatives of Directors other than Mr. Sumit Malge, Mr. Sureshbabu Ganpati Malge, Mr. Sonu Sureshbabu Malge are interested in the said resolution.

ITEM NO. 10:

The Current Authorized Capital of the Company is Rs 9,00,00,000/- (Rupees Nine Crores Only) and the paid up share capital of the Company is Rs. 6,44,93,800/- (Rupees Six Crores Forty Four Lakhs Ninety Three Thousand Eight Hundred only). The Company proposes to increase its authorized share capital to Rs. 57,00,00,000 (Rupees Fifty Seven Crores only) to facilitate any fund raising in future. With the intent of growth & development & expansion of Company's business, it is desirable to bring the Authorized Share Capital of the Company in proper correlation with the magnitude of the Company's resources and size of its undertaking. Thus, the Authorized Share Capital of the Company would be 57,00,00,000 (Rupees Fifty Seven Crores only) divided into 5,70,00,000 (Five Crores Seventy Lakhs) equity shares of Rs. 10/- each ranking pari passu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company. The increase in the Authorised Share Capital of the Company will also require consequential amendment in the Clause 5 of the Memorandum of Association of the Company. Pursuant to Section 13 and 62 the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing an Ordinary Resolution to that effect.

The Directors recommend the passing of ordinary resolution in item No 10 as set out in the Notice for the approval of the Members. No Director, Manager, other key managerial personnel and relatives of the same are concerned or interested in the passing of this Resolution.

Detail of Directors seeking Appointment/ Re-appointment**Other details:**

Particulars	Mr. Suresh Babu Malge	Mr. Jayesh Shah	Mrs. Rizwana Muazzam Rumani	Alind Gupte
Date of Birth	01.03.1959	16.07.1965	12.10.1975	22.03.1970
Date of Appointment	27.01.2023	27.01.2023	27.01.2023	27.01.2023
Qualification	Bachelor's Degree in Arts Degree in Graphics Design (G.D.)	Bachelor's Degree in Commerce Chartered Accountant	HSC (Mumbai University)	MBA
Expertise in specific functional areas	Wide experience in Real Estate and Construction Business	Wide experience in Finance, Corporate affairs and Audit	Customer Service	Marketing & Business Administration
Directorship held in other public Companies	1	Nil	Nil	Nil
Membership/Chairmanship of other committees of other public Companies (includes only Audit committees and Stakeholders relationship Committee.)	Nil	Nil	Nil	Nil
Number of shares held in the Company	27,83,600	Nil	Nil	Nil

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 37th Annual Report together with the Audited Accounts for the year ended March 31, 2022.

Financial Highlights

Particulars	Financial Year 31st March, 2022	Financial Year 31st March, 2021
Business & Other Income	1,37,07,428	74,41,131
Profit / (Loss) before Interest, Depreciation & Tax	(215,152)	(52,528)
Less:		
a. Interest	NIL	NIL
b. Depreciation	95,115	1,54,880
Profit / (Loss) before tax	(3,10,267)	(2,07,408)
Less: Provision for Tax:		
a. Current Year	NIL	NIL
b. Deferred Tax	(68,000)	(46,000)
c. MAT Credit Entitlement	NIL	NIL
d. Short / Excess for earlier years	NIL	NIL
Profit / (Loss) for the Period	(2,42,267)	(1,61,408)

State of Company's Affairs and Future Outlook

The Company is currently in the business of Non-Banking Financial Services and other financial activities.

The Company is evaluating possibilities of designing diverse financial products including lending to customers of real estate projects to align exposure to match with the progress of property development; however the activities relating to NBFC business within the guidelines and stipulations of RBI would continue to be focused on lending.

Material Changes and Commitments after the end of the Financial Year

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year to which financial statements in this report relate and the date of this report.

Share Capital

The paid-up equity share capital of the Company as at 31st March, 2022 was Rs. 6,44,93,800/- divided into 6449380 Equity Shares of Rs. 10/- each.

The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS at the year ended on 31 March, 2022.

Fixed Deposits

The Company has not accepted any fixed Deposit during the financial year under review.

Subsidiary, Joint Venture and Associate Companies

The Company has no subsidiary or joint venture companies. During the financial year under report, no company has become / ceased to be subsidiary or joint venture company.

Details of Directors and Key Managerial Personnel

Sr · N o.	Name and Address	Designation	Date of Appointment	DIN/PAN
1	Mr. Sureshbabu Malge 1, Sonal Apartment, Charai, Thane – 400 601 Maharashtra, India	Chairman, Managing Director	28/07/2017	01481222
2	Mr. Jayesh Jashvantlal Shah 15-B, Yashomangal, Plot No. 64, B. L. S. Road, Near Lalubhai Park, Andheri (West), Mumbai – 400 058	Non Executive, Independent Director	01/09/2017	00260876
3	Mr. Sumit Sureshbabu Malge Sonal Apartment, 1st Floor, Joshiwada, Annaji Sunder Road, Charai, Thane – 400 601	Director	28/07/2017	02413173
4	Mr. Kanwaljit Singh House No. 1104, Sector 39B, Sector 36, Chandigarh – 160 036 Punjab	Non-Executive, Independent Director	12/05/2018	08122223
5	Mrs. Rizwana Muazzam Rumani Room No. 4, Jama Masjid Building, Opp. Kalva Medical, Ganesh Oil Depot, Kalva, Thane – 400 602	Non-Executive, Independent Director	12/05/2018	08122263
6	Mr. Sonu Sureshbabu Malgee Sonal Apartment, 1st Floor, Joshiwada, Annaji Sunder Road, Charai, Thane – 400 601	Chief Executive Officer	18/05/2018	AOPPM0149B
7	Mr. Anand Jain Flat No. 4, C-46, Sector 10 Shanti Nagar, Mira Road (East) Thane 401107	Chief Finance Officer	02/07/2015	AGUPJ8122E
8.	Mr. Alind Gupte (appointed w.e.f 13.08.2022)	Non-Executive, Independent Director	13/08/2022	09703767

DIRECTOR RETIRING BY ROTATION

Pursuant to the provisions of section 152 of the Companies Act, 2013 and in accordance with the articles of association of the company, Mr. Sureshbabu Malge, Director of the company, retires by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment. The board of directors of the company recommends his re-appointment.

INDEPENDENT DIRECTORS

The independent directors have submitted the declaration, confirming that they meet the criteria of independence as prescribed under both the provisions of the relevant laws. Further, the independent directors have complied with the code for independent directors prescribed in schedule IV of the Companies Act, 2013 and code of conduct prescribed for the directors, management and senior managerial personnel.

Appointments and Resignations during the Financial Year

There was no change in Board composition of the Company during the Financial Year 2021-22.

Mr. Alind Gupte (DIN: 09703767) was appointed as an Additional Director (Non Executive, Independent Director) of the Company on 13.08.2022.

Mr. Kanwaljit Singh (DIN: 08122223) resigned as Director of the Company on 13.08.2022.

BOARD MEETINGS & COMMITTEE MEETING

Number of meetings of the board of directors:

During the Financial Year 2021-22, 5 (Five) meetings were held of the Board of Directors of the company.

The date of the meetings of the board held is as under-

22-06-2021	14-08-2021	02-09-2021	13-11-2021	14-02-2022
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AUDIT COMMITTEE:

The Company has an Independent Audit Committee which has been formed in pursuance of Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Section 177 of the Companies Act, 2013.

The Primary objective of the committee is to monitor and provide effective supervision of the management's financial reporting process to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting.

Details of the composition and attendance of Members of the Audit Committee during the year 2021-2022 are as follows

The Following are the members of the Audit Committee:

Mr. Jayesh Shah, Non-executive Independent Director, has been appointed as Chairman of Audit Committee and Mr. Kanwaljit Singh, non-executive Independent Director and Mr. Sumit Malge, Director, have been appointed as other members of Audit Committee.

Four Audit Committee Meetings were held during the year as below:

22-06-2021	14-08-2021	13-11-2021	14-02-2022
------------	------------	------------	------------

There were no changes in composition of Audit committee; it remained the same as last year.

NOMINATION AND REMUNERATION COMMITTEE:

The purpose of this committee of the Board of Directors ('the Board') shall be to discharge the Board's responsibilities related to nomination and remuneration of the Company's Directors and Key managerial personnel.

The Committee has the overall responsibility of approving and evaluating the nomination and remuneration plans, policies and programs for Directors and Key managerial personnel.

Details of the composition and attendance of Members of the Nomination and Remuneration committee during the year 2021-2022 are as follows:

Mr. Kanwaljit Singh, Non-executive Independent Director, has been appointed as Chairman of Nomination and remuneration Committee and Mr. Jayesh Shah, Non-executive and Mr. Sumit Malge have been appointed as other members of Nomination and Remuneration Committee.

Four Nomination and Remuneration Committee Meetings were held during the year as below:

22-06-2021	14-08-2021	13-11-2021	14-02-2022
------------	------------	------------	------------

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee reviews shareholders complaints and resolution thereof. The Committee expresses satisfaction with the Company's performance in dealing with investor grievances and its share transfer system.

Details of the composition and attendance of Members of the Stakeholder relationship Committee during the year 2021-2022 are as follows:

The Following are the members of the Stakeholder relationship Committee

Mrs. Rizwana Muazzam Rumani, Non-executive Independent Director, has been appointed as Chairman of Stakeholders Relationship Committee and Mr. Kanwaljit Singh, Non-executive Independent Director and Mr. Sumit Malge, Director, have been appointed as other members of Stakeholders Relationship Committee.

Four Stakeholder relationship Committee Meetings were held during the year as below:

22-06-2021	14-08-2021	13-11-2021	14-02-2022
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Independent Directors' Meeting

During the year under review, Independent Directors met on 14th February 2022, inter-alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, quantity content and timelessness of flow of information between the management and the Board.

Particulars of Loan, Guarantees and Investments under Section 186

The provisions of Section 186 are not applicable to Non-Banking Finance Companies.

The Company has not granted any Loan or provided any security, guaranty to related parties during the year under review.

Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo

As required under Rule 8 (3) of the Companies (Accounts) Rules, 2014, the particulars relating to the conservation of energy, technology absorption and the foreign exchange earnings and out go are **NIL**.

Internal Control and System

Adequate internal controls, systems, and checks are in place, commensurate with the size of the Company and the nature of its business. The management exercises financial control on the Company's operations through monitoring and standard operating procedures.

Board Evaluation

Formal Annual evaluation has been made by the Board of its own Performance and that of its Committees & Individual Directors during the meeting of Board of Directors and by common discussion with concerned persons.

Particulars of Employees

During the year, there was no employee in receipt of remuneration as prescribed in the Rule 5(2) of the companies (Appointment and Remuneration of managerial personnel) Rules, 2014 as amended from time to time.

Transfer of Amounts to Investor Education and Protection Fund

There are no amounts due and outstanding to be credited to investor Education and Protection Fund as 31st March, 2022.

Disclosure on Establishment of a Vigil Mechanism

The Company has Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. No personnel had been denied access to the Audit Committee to lodge their grievances.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

There were no complaints reported under the prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Fraud Reporting (Required by Companies Amendment Bill, 2014)

No Fraud reported / observed during the financial year 2021 -22.

Particulars of contracts or arrangements with related parties:

The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under the proviso thereto have been disclosed in Form No. AOC -2, annexed to this Report as "Annexure A".

Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes independence of a director:

The Nomination and Remuneration Committee has formulated a policy relating to the appointment, remuneration and removal of Executive Directors, Key Managerial Personnel and Other Senior Management Personnel of the Company, in accordance with the provisions of Section 178 of the Act.

The Remuneration Policy is annexed to the Directors Report as "Annexure B".

Management Discussion and Analysis Report:

The Management Discussion and Analysis Report for the year on the operations of the Company, as required under SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 is provided as "Annexure C" to the Annual Report.

Statutory Auditors

Auditors M/s. NGST & Associates, Chartered Accountants, (Firm Registration No135159W), hold office till the ensuing Annual General Meeting.

The Board of Directors recommend appointment of M/s. NGST & Associates,. as Statutory Auditors of the Company for tenure of 5 years to hold office i.e. till the conclusion of AGM to be held in the Year 2027.

M/s. NGST & Associates, have given a written confirmation to the company to the effect that their appointment, if made would satisfy the criteria provided in Section 141 Companies Act 2013 and would also be in conformation within the limits specified in Section 139 of the Companies Act , 2013.

Auditors' Report

The observations made by the Auditors in their Report read with relevant notes as given in the Notes on Accounts annexed to the Accounts, are self-explanatory and therefore do not call for any further comments under Section 134 (3)(f) of the Companies Act, 2013.

The Auditors of the Company have not raised any queries or made any Qualifications on the Accounts adopted by the Board which were then audited by them.

Secretarial Audit Report

A Secretarial Audit was conducted during the year by the Secretarial Auditor, M/s Shreyas Athavale & Co, Practicing Company Secretaries, Mumbai in accordance with Provisions of Section 204 of the Act. The Secretarial Auditors Report is attached as Annexure D and forms part of this Report. There are Qualifications or Observations or remarks made by the Secretarial Auditor in the report.

Management reply to the observation raised in the Secretarial Audit Report is as under:

Observation	Comments by the Board
1. The Compliance with respect to the Website could not be up-to-datedness. 2. The Company has filed applicable RBI returns on COSMOS Portal and Migration to new XBRL portal is in Process. 3. Delay in furnishing prior intimation about the meeting of the board of	1. Company is in process of Updating the same. 2.The Company is under process for migrating to New XBRL portal of RBI. 3. The intimation of Board meeting was inadvertently delayed by the Company and the fine imposed by

directors held on 22 nd June, 2021 and Company has paid the fine as prescribed by SEBI.	SEBI, was paid by the Company.
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Cost Auditors

The Company does not fall under the requirements of Appointment of Cost Auditors of the company and therefore, appointment of cost Auditors are not applicable to the company.

Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the Annual Return for the financial year ended March 31, 2022 is available on the website of the Company at www.stephanotis.in

Corporate social responsibility initiatives:

As the Company does not fall under the Class of Companies as prescribed under Section 135 of Companies Act, 2013 and Rules made thereunder, therefore the provisions related to Corporate Social Responsibility is not applicable to the Company.

Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;

The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as at 31st March, 2022.

- b) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- c) The directors had prepared the annual accounts on a going concern basis;
- d) 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.
- e) The proper internal financial controls are in place and that such internal financial controls are adequate and are operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgment

The Directors express their sincere appreciation to the valued shareholders, bankers, professionals, clients and devoted employees for their support.

Date: 30th December, 2022
Place: Mumbai

For Stephanotis Finance Limited
(Formerly Vora Constructions Ltd.)
Sd/-
Sureshababu Malge
Chairman & Managing Director

Annexure A**Form No. AOC-2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

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

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

The Company has not entered into any contract or arrangement or transactions with its related parties which is not at arm's length during the financial year 2021- 2022.

2. Details of material contracts or arrangement or transactions at arm's length basis:**A)**

Sr. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	1. Sureshbabu Mangle 2. Sumit Mangle 3. Sonu Mangle 4. Anand Jain 5. Rashmi Raturi 6. SBM International Pvt. Ltd. 7. SBM Realtors Pvt. Ltd. 8. Mount Mary Builders Pvt Ltd 9. SBM Studios Pvt Ltd

(b)	Nature of contracts/arrangements/transactions	1. Sureshababu Mangle 2. Sumit Mangle 3. Sonu Mangle 4. Anand Jain 5. Rashmi Raturi 6. SBM International Pvt. Ltd. 7. SBM Realtors Pvt. Ltd. 8. Mount Mary Builders Pvt Ltd 9. SBM Studios Pvt Ltd	1. Remuneration 2. Receivables 1. Remuneration 1. Remuneration 1. Remuneration 1. Remuneration 1. Receivables 2. Interest on loan 1. Payables 2. Rent 1. Payables 1. Receivables
(c)	Duration of the contracts / arrangements/transactions	Annually	
(d)	Salient terms of the contracts or arrangements or transactions including the value:	As per table (b)	
(e)	Date(s) of approval by the Board:	22.06.2021	
(f)	Amount paid as advances:	NIL	

Annexure B

Statement of Disclosure of Remuneration under Section 197 of the Companies Act 2013 and Rule 5of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The Ratio of the remuneration of each Director to the median of the employees of the Company for the Financial Year

Director	Ratio
SURESHBABU GANPATI MALGE	2.52 :1
SUMIT SURESHBABU MALGE	2.52:1

Note: The Independent Directors do not receive any remuneration except sitting fees.
The Independent Directors do not receive any sitting fees.

2. During the Financial Year the percentage decrease in remuneration of Directors is as follows:

Name of Directors/ KMP	Designation	Percentage
Sureshbabu Ganpati Malge	Managing Director	0
Sumit Sureshbabu Malge	Director	0
Sonu Sureshbabu Malgee	Chief Executive Officer	0
Anand Suresh Jain	Chief Financial officer	-5.45
*Rashmi s. Raturi	Company Secretary and Compliance Officer	-0.80

*Rashmi S Raturi resigned w.e.f.30.09.2022.

3. There was decrease in median remuneration of the employees in the financial Year.
4. As on 31st March 2022, there were a total of 2 employees on the payroll of the Company.
5. There was decrease in remuneration of the employees in the Financial Year 2021- 2022 as compared to the Financial Year 2020-2021.

It is affirmed that the remuneration is as per the remuneration policy of the company.

Annexure C

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

BUSINESS & FINANCIAL PERFORMANCE

Stephanotis Finance Limited being a registered NBFC with RBI has been primarily engaged into Lending activities & Investing in securities.

The investment portfolio of your company is as financial services. Your Company, as in the last few years, continues to evaluate investment opportunities in transactions with good growth prospects.

The details with respect to financial performance has been included in the Directors' Report.

OPPORTUNITIES:

The sentiment in the Indian financial market has changed considerably over the past few years; the economic growth, though subdued for last couple of years, is likely to show positive momentum over the coming years. This has presented opportunities for lending to Indian corporate and investments in the vibrant secondary as well as primary markets. The following factors present specific opportunities across our businesses include:

- Growing Corporate activities and related need for investments;
- Credit penetration in India is low as compared to other economies. On similar benchmarks, the non-bank finance penetration in India is even lower;

Growing midsize segment of corporate activity where the need for customized solution is particularly high;

- Low penetration of financial services and products in India along with unique nature of credit demand makes difficult traditional bank lending;
- Digital trends in consumer and MSME to offer new disruptive opportunities for innovation and partnerships;
- Deepening of wholesale debt markets to provide easier access to funds.
- Regulatory reforms including policy framework aiding greater participation by all class of investors;
- Growing Financial Services industry's share of wallet for disposable income;
- Wealth management business is transforming from mere wealth safeguarding to growing wealth;
- Emerging technology to enable best practices and processes;
- Size of the Indian capital market and favourable demographics like huge middle class, relatively large younger population with disposable income and investible surplus and risk taking abilities of the youth.

THREATS:

Despite great opportunities, there are significant factors presenting threats to our businesses viz.

- Impact of Covid-19
- Impact on economic growth of the rising prices of oil and industrial raw materials, decelerating investment demand and high inflation;
- Regulatory changes impacting the landscape of business;

- Increased competition from local and global players operating in India;

However, your Company is well aware of the above threats and has worked steadily to strengthen its business operations by putting appropriate policies and measures in place and well positioned to counter any adverse threat successfully.

STRENGTHS :

- Simplified and prompt loan appraisals and disbursements;
- Experienced senior management team;
- A well-defined and scalable organizational structure;
- Distinguished financial services provider with close control on investment.

WEAKNESS :

- Uncertain economic and political environment;

Growth directly linked with the GDP growth of the country

RISK MANAGEMENT:

The risk for the Company arises mainly out of the risks associated with the operations we carry. Experienced professionals review and monitor risks in our Company. We have comprehensive risk management policies and processes for risk identification, risk assessment and risk mitigation planning for business, strategic, operational, financial and compliance related issues. The management also periodically reviews the policies and procedures and formulates plans for control of identified risks and improvements in the systems.

A risk/compliance update report is regularly placed before the Audit Committee /Board of Directors of the Company. The Directors/ Audit Committee review the risk/ compliance update reports and the course of action taken or to be taken, to mitigate and manage the risks is taken.

HUMAN RESOURCES:

The Human Resources initiative focuses on structured training programs (both in-house and external) intended to equip employees at all levels, with the necessary knowledge and experience in order to demonstrate high levels of performance.

Stephanotis Finance Limited believes in taking care of its employees and ensuring that their career aspirations are met through professional growth, personal development and fair economic rewards.

Our organization is committed and focused on identifying and retaining the right talent to meet the overall business strategy and objective. The broad range of activity includes viz. robust manpower planning process in line with the business objective, enhancement of employee skill-sets by identifying training and development needs, retention programs, reward and recognition, learning and development

INTERNAL CONTROL AND THEIR ADEQUACY:

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations.

The Company being in lending and investment industry, has put in place an adequate internal control system to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance.

The Company's internal control system is commensurate with the size, nature and operations of the Company.

SEGMENT-WISE PERFORMANCE

The Company is a Non-Banking Finance Company (NBFC). It is engaged in the business of financing which is the major segment in the Company.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic and political conditions in which the Company operates, interest rate fluctuations, changes in Government / RBI regulations, Tax laws, other statutes and incidental factors. This report contains statements extracted from reports of Government Authorities / Bodies, Industry Associations etc.

Annexure D**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR FINANCIAL YEAR ENDED ON 31ST MARCH, 2022.**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
STEPHANOTIS FINANCE LIMITED.

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

Based on our verification of the Company's books, papers, Minutes books, forms and returns filed and other records maintained by the Company and provided either as hard copies or scanned copies by email or through permitted access to the Company's in-house portal and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 ("hereinafter called "Audit Period"), 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 the Company and produced before us for the financial year ended March 31, 2022, as per 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. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable to the Company during the Audit Period)**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company: -
 - a. The securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015.
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period).**
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the Audit Period).**
 - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations 1993 regarding Companies Act and dealing with clients; (Not applicable to the Company during Audit Period)
 - g. The Securities and Exchange Board of India (delisting of equity Shares) Regulations, 2009; (Not applicable to the Company during Audit Period)
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to Company during Audit Period)
 - i. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

We further report that:

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

- i) Secretarial Standards, issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.
- iii) Reserve Bank of India Act, 1934; and
- iv) All the Rules, Regulations, Guidelines and Circulars applicable to non-Systematically non-deposit taking Non-Banking Financial Companies under the RBI Act, 1934, which is specifically applicable to the Company

During the year under review, the Company in general has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards otherwise as mentioned elsewhere in this report except with the observation that:

SR No.	Applicable Law	Observation
1	SEBI Listing (Obligations and Disclosure Requirements) Regulations, 2015	The Compliance with respect to the Website could not be up-to-datedness.
2	RBI Act 1934 and Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions 1998	The Company has filed applicable RBI returns on COSMOS Portal and Migration to new XBRL portal is in Process.
3	Regulation 29(2) of SEBI Listing (Obligations and Disclosure Requirements) Regulations, 2015	Delay in furnishing prior intimation about the meeting of the board of directors held on 22 nd June, 2021 and Company has paid the fine as prescribed by SEBI.

We further report that:

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

Adequate notice is given to all Directors to schedule the Board Meetings, 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.

All decisions made at Board Meetings and Committee Meetings have unanimous consent as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

Majority decision is carried through while the dissenting members' views 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.

Date: 5th September, 2022

Place: Kalyan

**For Shreyas Athavale & Co
Practicing Company Secretary**

**CS Shreyas Athavale
ACS No.: 52266
CP No.: 20573
UDIN: A052266D000918769**

This report is to be read with our letter of even date which is annexed as **Annexure - I** and forms an integral part of this report.

Annexure to Secretarial Audit Report**Annexure - I**

To,
The Members,
STEPHANOTIS FINANCE LIMITED.

Our report of even date is to be 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 provide a reasonable basis for our opinion.
3. We have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the outbreak of COVID 19 and a country wide lock down, we have conducted the audit and relied upon the information, documents, forms, returns, papers and other records maintained by Company and provided to us electronically.

Date: 5th September, 2022
Place: Kalyan

For Shreyas Athavale & Co
Practicing Company Secretary

CS Shreyas Athavale
ACS No.: 52266
CP No.: 20573
UDIN: A052266D000918769

Independent Auditor's Report

**To the Members of
Stephanotis Finance Limited
(Formerly Known as Vora Constructions Ltd.)**

Report on the Audit of the Standalone Ind AS Financial Statements Opinion

We have audited the accompanying Standalone Ind AS financial statements of **Stephanotis Finance Limited ("the Company")** which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone financial statements").

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

Other Matters

The Comparative Financial Information of the Company for the transition date Opening balance sheet as at 1st April, 2018 included in this standalone Ind AS Financial statement, are based on the previously issued statutory financial statement prepared in accordance with the companies (Accounting Standards) Rules 2006 audited by our firm expressed an unmodified opinion on that standalone Ind AS Financial statements, and have been restated to comply with Ind AS, Adjustment made to the previously issued said financial information prepaid in accordance with Companies (Accounting Standards) rules, 2006 to comply with ind AS have been Audited by us .

Our opinion is not modified in respect of this matter.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Ind AS 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 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. There are no other key audit matters and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report,

Corporate Governance and Shareholder's Information, but does not include the Standalone financial statements and our auditor's report thereon.

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 are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Standalone Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management and Board of Director are 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.

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

Auditor's Responsibility for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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 Company has adequate internal

financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the 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 However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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. 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 purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid Ind AS Standalone 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 as on March 31, 2022 taken on record by the Board of Directors, none of the directors are 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”**.
3. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements
- ii. The Company, did not have any long-term contracts including derivative contracts for which there were no material foreseeable losses;
- iii. There were no amount which were 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, other than as disclosed in note 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 persons or entities, 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 note to the accounts, no funds have been received by the Company from any persons or entities, 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures performed that have 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) contain any material mis-statement.
- v. The Company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
4. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For NGST & Associates

Chartered Accountants

Firm Registration No. 135159W

Bhupendra Gandhi

(Partner)

Membership No. 122296

UDIN:22122296AJXTGX3865

Place: Mumbai

Date: 30/05/2022

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Standalone financial statements of the Company for the year ended March 31, 2022:

- 1) In respect of the Company’s fixed assets:
 - (a) The company has maintained proper records showing full particulars including details of quantity and situation of the fixed assets
 - (b)As explained to us physical verification of the fixed assets is conducted by the management at reasonable intervals and no Material discrepancies were noticed on such verification
 - (c) The title deeds of Investment in property i.e. immovable properties are held in the name of the company.
 - (d) The company has not revalued its Property, Plant and Equipment and Intangible assets during the year.
 - (e) There are no proceedings initiated or are pending against the company for holding any Benami property under the “Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- 2) The Company does not possess inventory as on balance sheet date and hence the clause is not applicable.
- 3) During the year the Company has not made investments in, provided any guarantee or security or granted any loans or advances, secured or unsecured to companies, firms, Limited Liability partnerships or other parties. Accordingly, the provisions of clause 3 (iii) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has not granted any loans or provides any guarantees or securities to parties covered under Section 185 of the Act. Further, provisions of sections 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security have been complied with by the Company.
- 5) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) According to the information and explanations given to us, in respect of statutory dues:
 - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, wherever applicable, and any other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become.
 - (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, there have been no such instances where any transactions not recorded in the books have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9) According to the information and explanations given to us this respect to term loans, Short term

loans:

- (a) The Company has not defaulted in the repayment of dues to any lender/ banks.
 - (b) The Company has not been declared as willful defaulter by any bank or financial institutions or any other lender.
 - (c) The company has not raised moneys by way of term Loans during the year and so this clause is not applicable.
 - (d) The company has not raised funds on short term basis during the year and so this clause is not applicable.
 - (e) The Company does not have any subsidiary, associates or joint ventures and so this clause is not applicable.
 - (f) The Company has not raised loans during the year on the pledge of securities held in subsidiaries, associates or joint venture as the company doesn't have any subsidiary, associate or joint venture and so this clause is not applicable.
- 10) (a) The company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year.
(b) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
 - 11) (a) During the course of our examination of the books and records of the company, carried in accordance with auditing standard generally accepted in India, we have neither come across any instance of fraud by the Company or on the company by its officers or employees noticed or reported during the course of our audit nor have we been informed of any such instance by the management.
(b) There has not been any report under sub-Section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
(c) As explained to us, the Management has not received any whistle-blower complaints during the year under review.
 - 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
 - 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.
 - 14) (a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;
(b) We have considered the reports of the Internal Auditors for the period under audit;
 - 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
 - 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable
 - 17) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year;

- 18) There has been no resignation of the statutory auditors during the year and accordingly, the provision of clause 3(xviii) of the Order is not applicable;
- 19) 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 indicating that company is incapable 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.
- 20) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provision of clause 3(xx) of the Order is not applicable.

For NGST & Associates

Chartered Accountants

Firm Registration No. 135159W

Bhupendra Gandhi

(Partner)

Membership No. 122296

UDIN: 22122296AJXTGX3865

Place: Mumbai

Date: 30/05/2022

**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone
Financial Statements of Stephanotis Finance Limited**

**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 **Stephanotis Finance Limited (“the Company”)** as of March 31, 2022 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Standalone 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone 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 or for other reasons.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For NGST & Associates

Chartered Accountants
Firm Registration No. 135159W

Bhupendra Gandhi
(Partner)
Membership No. 122296
UDIN:22122296AJXTGX3865
Place: Mumbai
Date: 30/05/2022

STEPHANOTIS FINANCE LIMITED
(Formerly known as VORA Constructions Ltd)
STANDALONE BALANCE SHEET AS AT 31st MARCH 2022

PARTICULARS	NOTE NO.	AS AT	AS AT
		31 st MARCH 2022	31 st MARCH 2021
		Rs.	Rs.
ASSETS			
Financial Assets			
Cash and cash equivalents	11	324,041	88,579
Bank balances other than Cash and Cash equivalents above		-	-
Loans & Advances	12	104,363,009	93,152,532
Non-Investments	9	1,211,748	475,252
Other Financial Assets	13	170,150,087	171,650,087
Total Financial Assets		276,048,886	265,366,450
Non-Financial Assets			
Inventories	10	5,548,709	6,639,483
Deferred Tax Assets (Net)		-	1,042,404
Property, plant and equipment	8		
(a) Tangible Assets		89,647	166,315
(d) Intangible assets		16,565	35,012
Other Non financial assets	14	395,231	617,031
Total Non-Financial Assets		6,050,152	8,500,245
Total Assets		282,099,038	273,866,696
EQUITY AND LIABILITIES			
Financial Liabilities			
Borrowings	4	10,700,000	10,700,000
Trade payables	5	4,851,563	4,545,499
Other financial liabilities	6	10,752,861	6,995,584
Total Financial Liabilities		26,304,424	22,241,083
Non-Financial Liabilities			
Deferred tax liabilities (net)		104,365	-
Provisions	7	-	-
Total Non-Financial Liabilities		104,365	-
Total Liabilities		26,408,789	22,241,083
Equity			
Equity share capital	2	64,493,800	64,493,800
Other equity	3	191,196,448	187,131,812
Total Equity		255,690,248	251,625,612
TOTAL EQUITY AND LIABILITIES		282,099,037	273,866,695

Other notes to Accounts & the accompanying notes are an integral part of Standalone Financial Statements

As per our report of even date
For **NGST & Associates**
Chartered Accountants
FRN - 135159W

For & on behalf of the Board
STEPHANOTIS FINANCE LIMITED
CIN NO. L45200MH1985PLC036089

BHUPENDRA GANDHI
PARTNER
M.NO.122296
PLACE: MUMBAI
DATE: 30/05/2022
UDIN:22122296AJXTGX3865

Suresh Malge
Managing Director & Chairman
DIN NO:01481222

Sumit Malge
Director
DIN:02413173

Anand Jain
Chief Financial Officer

STEPHANOTIS FINANCE LIMITED
(Formerly known as VORA Constructions Ltd)

Statement of Profit and loss for the year ended 31st March 2022

	PARTICULARS	NOTE NO.	For the year ended 31st MARCH 2022 Rs.	For the year ended 31st MARCH 2021 Rs.
	Income			
I.	Revenue From Operations	15	13,249,112	7,431,304
II.	Other Income	16	458,316	9,827
III.	Total Income		13,707,428	7,441,131
IV.	Expenses:			
	Cost of securities sold	17	5,962,983	-
	Employee benefits expense	18	4,741,515	4,740,000
	Depreciation and amortization expense		95,115	154,880
	Other expenses	19	3,218,081	2,753,659
	Total expenses		14,017,694	7,648,539
V	Profit before exceptional and extraordinary items and tax (III - IV)		-310,267	-207,408
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V - VI)		(310,267)	(207,408)
VIII	Extraordinary items		-	-
IX	Profit before tax (VII - VIII)		(310,267)	(207,408)
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		(68,000)	(46,000)
	(3) Tax for earlier years			
			(68,000)	(46,000)
XI	Profit/(Loss) for the period from continuing operations (IX-X)		(242,267)	(161,408)
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit/(Loss) for the period (XI+XIV)		-242,267	-161,408
	Other Comprehensive Income			
	Income reclassifiable to P&L		5,521,672	955,216
	Tax thereon		(1,214,769)	(210,149)
	Income not reclassifiable to P&L			
	Tax thereon			
	Total Other Comprehensive Income		4,306,903	745,068
	Total Comprehensive Income		4,064,636	583,660
XVII	Earnings per equity share of face value of Rs. 10 each Basic & Diluted (in Rupees)	20	-0.04	-0.03
Other notes to Accounts & the accompanying notes are an integral part of Standalone Financial Statements				

As per our report of even date
For **NGST & Associates**
Chartered Accountants
FRN - 135159W

For & on behalf of the Board
STEPHANOTIS FINANCE LIMITED
CIN NO. L45200MH1985PLC036089

BHUPENDRA GANDHI
PARTNER
M.NO.122296
PLACE: MUMBAI
DATE: 30/05/2022
UDIN:22122296AJTXG3865

Suresh Malge
Managing Director & Chairman
DIN NO:01481222

Sumit Malge
Director
DIN:02413173

Anand Jain
Chief Financial Officer

STEPHANOTIS FINANCE LIMITED
(Formerly known as VORA Constructions Ltd)

Statement of Cash Flow
for the year ended 31 March 2022

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax for the year	-310,267	-207,408
Adjustments for:		
Non Cash / Separately Considered Income/Expenses	95,115	154,880
Other Adjustments		
Operating profit before working capital changes	-215,152	-52,528
Movements in working capital:		
(Increase)/Decrease in trade and other receivables	-	-
(Increase)/decrease in Loans & Advances	-11,210,477	-6,962,903
(Increase)/decrease in Investments	-	-
(Increase)/decrease in inventories	5,875,950	-
(Increase)/decrease in other assets	221,800	59,705
(Decrease)/increase in Trade Payables	306,064	2,337,591
(Decrease)/increase in Provision	-	-
(Decrease)/increase in other liabilities	3,757,277	3,767,919
Cash flow from / (utilized in) operating activities post working capital changes	-1,049,386	-797,688
Income Taxes	-	-
Net cash flow from / (utilized in) in operating activities (A)	-1,264,538	-850,216
Cash flows from investing activities		
Payments to acquire Plant, Property & Equipment	-	-103,620
Proceeds on sale of Plant, Property & Equipment	-	-
Payments to other financial assets	-	-
Proceeds from other financial assets	1,500,000	-
Net cash (used in) investing activities (B)	1,500,000	-103,620
Cash flows from financing activities		
Proceed From Borrowing	-	700,000
Repayment of Borrowing	-	-
Net cash used in financing activities (C)	-	700,000
Cash and cash equivalents at the beginning of the year	88,579	342,415
Cash and cash equivalents at the end of the year(A+B+C)	324,041	88,579
Reconciliation of cash and cash equivalents as per the cash flow Statement		
Cash and cash equivalents	324,041	88,579
Other Balance with bank		-
Balance as per statement of cash flows	324,041	88,579

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

As per our report of even date
For NGST & Associates
Chartered Accountants
FRN - 135159W

For & on behalf of the Board
STEPHANOTIS FINANCE LIMITED
CIN NO. L45200MH1985PLC036089

BHUPENDRA GANDHI
PARTNER
M.NO.122296
PLACE: MUMBAI
DATE: 30/05/2022
UDIN:22122296AJXTGX3865

Suresh Malge
Managing Director & Chairman
DIN NO:01481222

Sumit Malge
Director
DIN:02413173

Anand Jain
Chief Financial Officer

STEPHANOTIS FINANCE LTD**Standalone statement of Change in Equity Capital
As At 31 st March 2022**

A Equity share capital (Also refer Note)		(Rs. In Lakhs)
Particulars	Total Equity	
As on 1st April 2021	644.94	
Issue of Share Capital During the Year	-	
As on 31st March 2022	644.94	

B Other Equity (also refer Note)							(Rs. In Lakhs)
Particulars	Surplus					Total Other Equity	
	General Reserve	Surplus as per Profit and Loss	Other Reserve	Security Premium Reserve	Other Comprehensive Income		
Balance as at 1st April 2021	-	90.58	0.82	1,779.91	-	1,871.32	
Profit/Loss for the year		40.65				40.65	
Amt Trf Into Surplus A/c		-				-	
Total inclusive of comprehensive income for the year		40.65	-	-	-	40.65	
Transfer to/From General Reserve	-	-				-	
Transfer to/ From other Reserve		-	-			-	
Balance as at 1st April 2022	-	131.23	0.82	1,779.91	-	1,911.96	

As per our report of even date
For **NGST & Associates**
Chartered Accountants
FRN - 135159W

For & on behalf of the Board
STEPHANOTIS FINANCE LIMITED
CIN NO. L45200MH1985PLC036089

BHUPENDRA GANDHI
PARTNER
M.NO.122296
PLACE: MUMBAI
DATE: 30/05/2022
UDIN:22122296AJTGX3865

Suresh Malge
Managing Director & Chairman
DIN NO:01481222

Sumit Malge
Director
DIN:02413173

Anand Jain
Chief Financial Officer

STEPHANOTIS FINANCE LIMITED

Notes on financial statement as on and for the year ended 31st March 2022

NOTE 3:- RESERVES AND SURPLUS

Particulars	31 ST MARCH 2022 Rs.	31 ST MARCH 2021 Rs.
<u>A) General Reserves</u>		
Opening Balance	-	-
Add: Transferred From Surplus	-	-
Total	-	-
<u>B) Securities Premium Reserve</u>		
Opening Balance	177,991,200	177,991,200
Add: Increase in Reserve	-	-
Total	177,991,200	177,991,200
<u>C) Other Reserves</u>		
Reserves Fund U/S.45 of RBI Act		
Opening Balance	82,421	82,421
Add: Transferred From Surplus	-	-
Total	82,421	82,421
<u>D) Surplus in Profit & loss a/c</u>		
Surplus - Opening balance	9,058,191	8,474,531
Add : Trf into surplus a/c	-	-
Add: Net Profit after tax transferred	4,064,636	583,660
Add: Fair Value Gain (Restated)(Post Tax)	-	-
Amount available for appropriation	13,122,827	9,058,191
Appropriations:		
Proposed Dividends	-	-
Dividend Tax	-	-
Amount transferred to General reserves	-	-
Amount transferred to Reserves Fund U/S	-	-
Surplus - Closing Balance	13,122,827	9,058,191
	191,196,448	187,131,812

STEPHANOTIS FINANCE LIMITED
Notes on financial statement as on and for the year ended 31st March 2022

NOTE 4:- Borrowings

Particulars	31 ST MARCH 2022 Rs.	31 ST MARCH 2021 Rs.
Unsecured	10,700,000	10,700,000
	10,700,000	10,700,000

NOTE 5:- Trade Payable

Particulars	31 ST MARCH 2022 Rs.	31 ST MARCH 2021 Rs.
Trade Payable	4,851,563	4,545,499
	4,851,563	4,545,499

Note 5.1 : Steps have been taken to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2021, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act, is not expected to be material.

Trade Payables ageing schedule: As at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,865,563	1,805,000	965,000	216,000	4,851,563.00
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at 31st March 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	2,424,105	1,905,394	216,000	-	4,545,499.00
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

NOTE 6:- OTHER CURRENT LIABILITIES

Particulars	31 ST MARCH 2022 Rs.	31 ST MARCH 2021 Rs.
Duties & Taxes	1,214,500	566,119
Salary payable	9,079,241	5,970,345
Others	459,120	459,120
	10,752,861	6,995,584

NOTE 7:- SHORT TERM PROVISIONS

Particulars	31 ST MARCH 2022 Rs.	31 ST MARCH 2021 Rs.
Provision For Income Tax (Net)	-	-
Provision For N.P.A	-	-
	-	-

STEPHANOTIS FINANCE LIMITED
Notes on financial statement as on and for the year ended 31st March 2022

NOTE 9:- NON CURRENT INVESTMENTS

Particulars	31 ST MARCH 2022 Rs.	31 ST MARCH 2021 Rs.
QUOTED - Investment (At FVTPL)	475,252	491,640
Less: Fair Value Gain/(Loss)	736,496	(16,388)
Investment in Listed Entities		
	1,211,748	475,252

NOTE 10:- INVENTORIES

Particulars	31 ST MARCH 2022 Rs.	31 ST MARCH 2021 Rs.
Stock in Trade (At Cost)	3,928,657	9,804,608
Less: Fair Value Loss	1,620,052	(3,165,124)
	5,548,709	6,639,483

NOTE 11:- CASH AND BANK BALANCES:

Particulars	31 ST MARCH 2022 Rs.	31 ST MARCH 2021 Rs.
Balances with banks		
In Current accounts	280,742	65,136
Cash in hand	43,299	23,443
	324,041	88,579

NOTE 12:- SHORT TERM LOANS AND ADVANCES

Particulars	31 ST MARCH 2022 Rs.	31 ST MARCH 2021 Rs.
Un-secured considered good		
Loans to employees	278,000	179,666
Loan & Advances to related party	67,980,505	59,061,085
Loans & advances to Others	36,104,504	33,911,781
	104,363,009	93,152,532

NOTE 13:- Other Financial Assets

Particulars	31 ST MARCH 2022 Rs.	31 ST MARCH 2021 Rs.
Project Advance	170,150,087	171,650,087
	170,150,087	171,650,087

NOTE 14:- Other Current Assets

Particulars	31 ST MARCH 2022 Rs.	31 ST MARCH 2021 Rs.
Interest Receivable	28,919	-
TDS and Advance tax (Net of Provision)	341,312	617,031
Advance for expenses	25,000	-
Prepaid Expenses	-	-
	395,231	617,031

STEPHANOTIS FINANCE LIMITED
Notes on financial statement as on and for the year ended 31st March 2022

NOTE 15:- REVENUE FROM OPERATION

Particulars	For the year ended 31ST MARCH 2022	For the year ended 31ST MARCH 2021
	Rs.	Rs.
Sale of Shares & Securities	5,586,043	-
Interest Income	7,663,063	7,431,304
Dividend	5	-
	13,249,112	7,431,304

NOTE 16:- OTHER INCOME

Particulars	For the year ended 31ST MARCH 2022	For the year ended 31ST MARCH 2021
	Rs.	Rs.
<u>Other Income</u>		
Interest on I.T Refund	17,921	9,827
Others	440,395	-
	458,316	9,827

NOTE 17:- COST OF SECURITIES SOLD

Particulars	For the year ended 31ST MARCH 2022	For the year ended 31ST MARCH 2021
	Rs.	Rs.
Opening Stock	9,804,608	9,804,608
Add: Purchases	87,033	-
	9,891,640	9,804,608
Less: Closing Stock	3,928,657	9,804,608
	5,962,983	-

NOTE 18:- EMPLOYEES BENEFIT EXPENSES

Particulars	For the year ended 31ST MARCH 2022	For the year ended 31ST MARCH 2021
	Rs.	Rs.
Salaries	3,541,515	3,540,000
MD Remuneration	1,200,000	1,200,000
	4,741,515	4,740,000

STEPHANOTIS FINANCE LIMITED
Notes on financial statement as on and for the year ended 31st March 2022

NOTE 19:- OTHER EXPENSES

Particulars	For the year ended 31ST MARCH 2022	For the year ended 31ST MARCH 2021
	Rs.	Rs.
Printing & Stationery Expenses	-	1,000
Conveyance & Travelling Expenses	34,539	11,800
Miscellaneous Expenses	46,095	11,677
Administrative Expenses	12,744	301,704
Office Rent	1,800,000	1,800,000
Office Expenses	145,000	-
Auditor's Remuneration	200,000	200,000
Listing Fees	354,000	354,000
Legal & Professional Fees	220,500	69,365
Bank Charges	7,103	4,013
Interest - Others	3,325	100
Advertisement expenses	78,329	-
Annual Custodian fees	11,800	-
Membership fees	29,500	-
Repairs & Maintenance	17,641	-
R&T Charges	63,278	-
Transaction Charges	18,587	-
Website Charges	10,620	-
ROC Filing Fees	8,600	-
NSDL/CDSL Fees	156,420	-
	3,218,081	2,753,659

Note:20 Earning Per Share

Particulars	For the year ended 31ST MARCH 2022	For the year ended 31ST MARCH 2021
	Rs.	Rs.
Profit After Tax	(242,267)	(161,408)
No. of Equity Shares	64,493,800	6,449,380
EPS (basic & Diluted)	(0.00)	(0.03)

Note: 21 Auditor's Remuneration

Particulars	For the year ended 31ST MARCH 2022	For the year ended 31ST MARCH 2021
	Rs.	Rs.
For Audit fees	200,000	200,000
Total	200,000	200,000

Note: 22 Corporate social responsibility (CSR)

Sr. No.	Particulars	31ST MARCH 2022	31ST MARCH 2021
		Rs.	Rs.
1	Amount required to be spent by the company during the year	-	-
2	Amount of expenditure incurred	-	-
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
	Total	-	-

Note: 22.1 Other disclosures

Since the company is under loss, there is no obligation on the company to incur any CSR Expenditure both during current year and previous year.

STEPHANOTIS FINANCE LIMITED

Notes on financial statement as on and for the year ended 31st March 2022

NOTE 2:- SHARE CAPITAL

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Rs.	Number	Rs.
Authorised				
Equity Shares of ` 10/- each	9,000,000	90,000,000	9,000,000	90,000,000
Issued,Subscribed & Paidup				
Equity Shares of ` 10/- each	6,449,380	64,493,800	6,449,380	64,493,800
Total	6,449,380	64,493,800	6,449,380	64,493,800

2.1 Reconciliation of No. of Shares	As at 31 March 2022		As at 31 March 2021	
	Number	Rs.	Number	Rs.
No. of Shares at Beginning	6,449,380	64,493,800	6,449,380	64,493,800
Add : No of Shares Issued				
No of Equity Shares at the End	6,449,380	64,493,800	6,449,380	64,493,800

2.2 Terms/Rights Attached to Shares

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

2.3 The details of shareholder holding more than 5% shares as at March 31, 2022 is set out below:

Name of Shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Class of Shares: Equity Shares				
Sureshbabu Malge	27,83,600	43.16	27,83,400	43.16
Sonu Sureshbabu Malge	629,932	9.77	629,964	9.77
Sushila Sureshbabu Malge	629,964	9.77	629,964	9.77
Sumit Sureshbabu Malge	629,916	9.77	629,964	9.77
Manish Ruparel	531,130	8.24	5,40,890	8.39

2.4 There are no Bonus Shares /Buyback/Shares for consideration other than cash issued during past 3 years

Note 8:- Property, Plant and Equipments

(In Rs.)

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1 April 2021	Additions/ (Disposals)	Balance as at 31 March 2022	Balance as at 1 April 2021	Depreciation charge for the year	Balance as at 31 March 2022	Balance as at 31 March 2022	Balance as at 31 March 2021
Tangible Assets								
Furniture & Fixtures	150,333	-	150,333	106,324	11,511	117,835	32,498	44,009
Office Equipments	149,899	-	149,899	113,507	12,105	125,612	24,287	36,392
Computer	523,350	-	523,350	437,436	53,052	490,488	32,862	85,914
	823,582	-	823,582	657,267	76,668	733,935	89,647	166,315
InTangible Assets								
Computer Software	63,720	-	63,720	28,708	18,447	47,155	16,565	35,012
Total	887,302	-	887,302	685,975	95,115	781,090	106,212	201,327
P.Y.	783,682	103,620	887,302	531,095	154,880	685,975	201,327	252,587

STEPHANOTIS FINANCE LIMITED

Notes on financial statement as on and for the year ended 31st March, 2022

Note:- 23

Disclosure of Related party transactions pursuant to (Ind AS - 24) and Companies act 2013 "Related Party Disclosures"

(i) Names of related parties:

Name of the related party	Nature of relationship
SBM International Pvt. Ltd.	Entities in which KMP/relatives of KMP exercise significant influence
SBM Studios Pvt Ltd	Entities in which KMP/relatives of KMP exercise significant influence
SBM Realtors Pvt. Ltd.	Entities in which KMP/relatives of KMP exercise significant influence
Mount Mary Builders Pvt Ltd	Entities in which KMP/relatives of KMP exercise significant influence
Mr. Sureshbabu Malge	Chairman & Managing Director
Mr. Sumit Malge	Director
Mr. Sonu Malge	CEO
Mr. Anand Jain	CFO
Ms. Rashmi Raturi	Company Secretary

Note: Related party and their relationships are reported only where the Company has transactions with those parties during the current year.

Nature of the Transaction	Key Managerial Personnel									
	Sureshbabu Malge		Sumit Malge		Sonu Malge		Anand Jain		Rashmi Raturi	
	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Transactions during the period:										
Remuneration paid	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	340,369	360,000	476,146	480,000
Sitting fees paid	-	-	-	-	-	-	-	-	-	-
Closing balances	-	-	-	-	-	-	-	-	-	-
Receivable/ (Payable)	822,000	-1,000,000	-	-	-	-	-	-	-	-

Nature of the Transaction	Entities in which KMP/relatives of KMP exercise significant influence							
	SBM International Pvt. Ltd.		SBM Realtors Pvt. Ltd.		Mount Mary Builders Pvt		SBM Studios Pvt Ltd	
	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar
	2022	2021	2022	2021	2022	2021	2022	2021
Transactions during the period:								
Interest on Loan	7,197,420	7,197,420	-	-	-	-	-	-
Receivable/ (Payable)	66,108,505	58,711,085	-4,050,000	-2,430,000	-700,000	-700,000	1,050,000	150,000
Rent	-	-	1,800,000	1,800,000	-	-	-	-

Note:- 24

Disclosure pursuant to Ind AS 12 'Income Taxes'

(i) Tax Expenses recognised in the Statement of Profit and Loss

Particulars	For the year ended	For the year ended
	31st March 2022	31st March 2021
Current tax:		
In respect of current year		
In respect of prior years		
Deferred Tax:		
Deferred tax relating to origination and reversal of temporary differences		
Total Income Tax recognised in profit or loss	-	
Current tax	-	-
Deferred tax	-68,000	-46,000
Total Income Tax recognised in profit or loss	-	-

(ii) Income Tax recognised in Other comprehensive income

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Deferred tax related to items recognised in Other comprehensive income during the year:	-1,214,769	-210,149
Income reclassifiable to P&L	-	-
Total Income tax recognised in Other comprehensive income	-1,214,769	-210,149

Note:- 25

Financial Risk Management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has constituted the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market

The Company has exposure to the following risks arising from its business operations:

i) Credit risk

Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract. Lending activities account for most of the Company's credit risk. Other sources of credit risk also exist in loans and transaction settlements. Credit risk is measured as the amount that could be lost if a customer or counterparty fails to make repayments. The maximum exposure to credit risk in case of all the financial instruments is restricted to their respective carrying amount.

Credit Risk is monitored through stringent credit appraisal, counterparty limits and internal risk ranges of the borrowers. Exposure to credit risk is managed through regular analysis of the ability of all the customers and counter parties to meet interest and capital repayment obligations and by changing lending limits where appropriate.

Credit risk on Cash and Cash equivalents is considered to be Nil as these are generally held with leading banks.

1 Corporate Information

Stephanotis Finance Limited ('the Company') is a public company domiciled in India and incorporated on 30th April 1985 under the provisions of Companies Act, 1956. The Company has received a Certificate of Registration number 13.00890 dated 26th May 1998 from the Reserve Bank of India ('RBI') to carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits. The Company has been classified as a Systemically Important Non-Deposit Accepting or Holding Non-Banking Financial Company as defined under Section 45-IA of the Reserve Bank of India ('RBI') Act, 1934 w.e.f.28th January 2019. The equity shares of the Company are listed on the Bombay Stock Exchange ("BSE") in India.

2 Significant accounting Policies

2.1 Basis of Preparation of financial statements

A) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act and guidelines issued by the RBI or other regulators to the extent applicable.

The Company has adopted Ind AS from 1st April 2019 and the financial statements for the year ended 31st March 2021 are the Company's first Ind AS Financial Statements. However, the effective date of transition to Ind AS is 1st April 2018, being the beginning of the earliest period for which the company needs to present comparative information.

The transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder, guidelines issued by the RBI and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP'). The impact of transition has been recorded in the opening reserves as at 1st April 2018 and is provided in Note 45. The corresponding comparative previous period as presented in these financial statements have been restated / reclassified in order to conform to current year presentation.

The adoption of Ind AS has been carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 45.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April 2018 being the 'date of transition to Ind AS'.

B) Functional and presentation currency

The Company's presentation and functional currency is Indian Rupees. All figures appearing in the financial statements are in Indian rupees in lakh rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

C) Basis of preparation, presentation and disclosure of financial statements

The financial statements have been prepared on the historical cost basis except for certain

financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Further, Assets and liabilities are classified as per the normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act as applicable to NBFCs.

D) Fair value measurement

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset **or liability** nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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:

Level 1 - Valuation using quoted market price in active markets: The fair value for financial instruments traded in active markets at the reporting date is based on their quoted market price, without any deduction for transaction costs. A market is regarded as active, if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Valuation using observable inputs: If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates most of the factors that market participants would take into account in pricing a transaction.

Level 3 - Valuation with significant unobservable inputs: The valuation techniques are used only when fair value cannot be determined by using observable inputs. The Company regularly reviews significant unobservable inputs and valuation adjustments. Level 3 assets are typically very illiquid, and fair values can only be calculated using estimates.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

E) Use of judgment and Estimates

The preparation of the financial statements requires the management to make judgments, estimates and assumptions in the application of accounting policies that affects the

reported amount of assets, liabilities and the accompanying disclosures along with contingent liabilities as at the date of financial statements and revenue & expenses for the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognised in the year in which the results are known or materialise i.e. prospectively.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas involving estimation uncertainty, higher degree of judgement or complexity, or areas where assumptions are significant to the financial statements include:

- i) Impairment of financial assets
- ii) Estimation of fair value measurement of financial assets and liabilities
- iii) Effective interest rate
- iv) Business model assessment
- v) Provisions and Contingencies
- vi) Useful life and expected residual value of assets
- vii) Tax position for current tax and recognition of deferred tax assets/liabilities
- viii) Measurement of Defined Benefit Obligations and actuarial assumptions
- ix) Classification of lease and related discount rate

2.2 Financial Instruments

a) Recognition and initial measurement –

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provision of the instruments.

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 FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and Loss.

b) Classification and Subsequent measurement of financial assets –

On initial recognition, a financial asset is classified as measured at

- Amortised cost
- FVOCI – debt instruments
- FVOCI – equity instruments
- FVTPL

Amortised cost - The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to

collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments at amortised cost.

FVOCI - debt instruments - The Company measures its debt instruments at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

FVOCI - equity instruments - The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.

Subsequent measurement of financial assets

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain and loss on derecognition is recognised in Statement of Profit and Loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

For equity investments, the Company makes selection on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These selected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of Profit and Loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

c) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows

from the financial asset expire, or it transfers the rights to receive the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised and the proceeds received are recognised as a collateralised borrowing.

d) Financial guarantee contracts

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

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

e) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

f) Impairment of financial instruments

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets measured at amortised cost or FVTOCI, except for investments in equity instruments. Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition.

Stage 1 (Performing Assets) – includes financial assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL is recognised and interest income is calculated on the gross carrying amount of the assets (that is, without deduction for credit allowance). 12-month ECL are the portion of ECL that results from default events on a financial instrument that are possible within 12 months after the reporting date, if the credit risk has not significantly increased since initial recognition.

Stage 2 (Under performing Assets with significant increase in credit risk since initial recognition) – includes financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognised, but interest income is calculated on the gross carrying amount of the assets. Lifetime ECL are the expected credit losses that result from all possible default events over the

expected life of the instrument.

Stage 3 (Non-performing or Credit-impaired assets) – includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL is recognised and interest income is recognised on Net exposure (that is Gross carrying amount less Provision for Expected credit losses).

Measurement of Expected Credit Loss

Expected Credit Losses (ECL) on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low and incorporate all available information which is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date. Measurement of expected credit losses are based on 3 main parameters.

- **Probability of default (PD):** It is defined as the probability of whether borrowers will default on their obligations in future. Since the company don't have any history of past losses therefore it was not adequate enough to create our own internal model through which actual defaults for each grade could be estimated. Hence, the default study published by one of the recognised rating agency is used for estimating the PDs for each range grade.
- **Loss given default (LGD):** It is the magnitude of the likely loss, if there is a default. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value.
The default study published by one of the recognised rating agency is used for estimating the LGD for secured and unsecured loans.
- **Exposure at default (EAD):** EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities.

g) Write offs –The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off and when there is no reasonable expectation of recovery from the collaterals held. However, financial assets that are written-off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

h) Presentation of allowance for ECL in the Balance Sheet – Loss allowances for ECL are deducted from the gross carrying amount of financial assets measured at amortised cost.

i) Financial liabilities and equity instruments:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an

entity after deducting all of its liabilities.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit or Loss. Any gain or loss on derecognition is also recognised in Statement of Profit or Loss.

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in profit or loss.

2.3 Cash and Cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances, demand deposits with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than or equal to three months. These balances with banks are unrestricted for withdrawal and usage.

Other bank balances includes balances and deposits with banks that are restricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits.

2.4 Statement of Cash Flow

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.5 Property, plant and equipment

a) Recognition and Measurement

Tangible property plant and equipment are stated at cost less accumulated depreciation

and impairment, if any. The cost of property, plant and equipment comprise purchase price and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The residual values and useful lives and method of depreciation of PPE are reviewed at each financial year end and adjusted prospectively.

b) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

c) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives as prescribed in Part C of Schedule II to the Companies Act 2013. The estimated lives used and differences from the lives prescribed under Schedule II are noted in the table below:-

Type of Assets	Estimated useful life as assessed by the Company	Estimated useful life under Schedule II of
Computers	3 years	3 years
Software and system development	3 years	3 years
Office equipment	5 years	5 years
Motor cars	5 years	8 years
Furniture and fixtures	10 years	10 years
Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements

Depreciation is provided on a pro-rata basis i.e. from the month in which asset is ready for use. Individual assets costing less than or equals to Rs. 5,000 are depreciated in full, in the year of purchase. Depreciation on assets sold during the year is recognised on a pro-rata basis in the Statement of Profit and Loss up to the month prior to the month in which the assets have been disposed off.

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

2.6 Intangible assets

Intangible assets comprises of computer software are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

The useful life of these intangible assets is estimated at 3 years with zero residual value.

Any expenses on such software for support and maintenance payable annually are charged to the Statement of Profit and Loss.

2.7 Impairment of non-financial assets

The carrying values of assets at each Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount in Statement of Profit and Loss. Recoverable amount is the greater of the net selling price and value in use. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognised are reversed such that the asset is recognised at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognised initially.

2.8 Investment in subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Investment in subsidiaries is measured at cost less accumulated impairment, if any.

2.9 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

- a present obligation arising from past events, when no reliable estimate is possible. Contingent Assets:

Contingent assets are not disclosed in the financial statements.

2.10 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on loan sanctioned and on investments partly paid; and
- Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

2.11 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

a) Recognition of Interest income

Interest income on financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs.)

Interest income on penal interest and tax refunds is recognised on receipt basis. Interest income on fixed deposit is recognised on time proportionate basis.

b) Fee and Commission income

Fee and commission income include fees other than those that are an integral part of EIR. The fees included in the Company Statement of Profit and Loss include among other things fees charged for servicing a loan, loan advisory fees and documentation charges.

c) Other financial charges

Cheque bouncing charges, late payment charges and foreclosure charges are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

d) Income from securities

Gains or losses on the sale of securities are recognised in Statement of profit and loss on trade date basis as the difference between fair value of the consideration received and carrying amount of the investment securities.

e) Net gain/ Loss on fair value changes

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the Balance Sheet date is recognised as an unrealised gain/loss in the Statement of Profit and Loss. In cases there is a net gain in aggregate, the same is recognised in “Net gains on fair value changes” under income and if there is net loss in aggregate, the same is recognised in “Net loss on fair value changes” under expense in the Statement of Profit and Loss.

f) **Dividend income**

Dividend income is recognised when the Company’s right to receive dividend is established by the reporting date and no significant uncertainty as to collect ability exists.

2.12 Employee benefits

Short term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Long Term employee benefits

Company’s net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. Long-term employee benefit primarily consists of Leave encashment benefits wherein employees are entitled to accumulate leave subject to certain limits for future encashment/availment. Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each financial year using Projected Unit Credit (PUC) Method. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss

Post-employment benefits

a) **Defined contribution Plans**

Provident fund: Contributions as required under the statute, made to the Provident Fund (Defined Contribution Plan) are recognised immediately in the Statement of Profit and Loss. There is no obligation other than the monthly contribution payable to the Regional Provident Fund Commissioner.

ESIC and Labour welfare fund: The Company’s contribution paid/payable during the year to Employee state insurance scheme and Labour welfare fund are recognised in the Statement of Profit and Loss.

b) **Defined benefit Plans**

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation performed by an independent actuary based on projected unit credit method, at the end of each financial year.

Defined benefit costs are categorised as follows:

- i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- ii) Net interest expense or income

iii) Re-measurement

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI, net of taxes. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

The Company's net obligation in respect of gratuity (defined benefit plan), is calculated by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus resulting from this calculation is recognised as an asset to the extent of present value of any economic benefits available in the form of refunds from the plans or reductions in the future contribution to the plans.

Share based Payments

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 of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

2.13 Finance cost

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortised cost. Financial instruments include bank term loans, Vehicle loans and non- convertible debentures. Finance costs are charged to the Statement of Profit and Loss. Ancillary and other borrowing costs are amortised on straight line basis over the tenure of the underlying loan.

2.14 Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. The Company's lease asset classes primarily consist of leases for Premises. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2018.

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116. The Company as a lessee

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a

lease if the contract involves–

- a) the use of an identified asset,
- b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognises a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets (assets of less than Rs. 10 Lakhs in value).

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of the ROU assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The ROU assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of ROU assets.

ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the ROU assets. Where the carrying amount of the ROU assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the Statement of Profit and Loss.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note 14 “Other Financial Liabilities” and ROU asset has been presented in Note 9B “Property, Plant and Equipment” and lease payments have been classified as cash flows from financing activities.

2.15 Share issue expenses

Expenses incurred in connection with fresh issue of Share capital are adjusted against Securities premium account in accordance with the provisions of Section 52 of the Companies Act, 2013 and Ind AS.

2.16 Collateral

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as securities, letter of credit/guarantees, receivables, inventories, other non-financial assets and credit enhancements such as netting arrangements.

The Company provides fully secured, partially secured and unsecured loans to Corporates and individuals.

2.17 Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current Tax

The Current tax is based on the taxable profit for the year of the Company. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax assets and tax liabilities are offset when there is a legally enforceable right to set off the

recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities.

Minimum Alternate Tax (MAT) credit entitlement (i.e. excess of amount of MAT paid for a year over normal tax liability for that year) eligible for set-off in subsequent years is recognised as an asset in accordance with Ind AS 12, Income Taxes, if there is convincing evidence of its realisation.

MAT credit is created by way of a credit to the Statement of Profit and Loss. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

2.18 Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

2.19 Segment reporting

The company is predominantly engaged in Lending business, whose revenue and operating income are reviewed regularly by Chief Operating Decision Maker. As such there are no separate reportable segments as per Ind-AS 108

2.20 Dividend distribution to equity holders of the Company

The Company recognises a liability to make distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Company.

2.21 Goods and Services Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

2.22 Operating cycle for current and non-current classification

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

