

UGRO CAPITAL LIMITED**CIN:L67120MH1993PLC070739****Notes forming part of the financial statements (continued)***For the year ended March 31, 2022*

Category of financial instrument	Manner of recognition of loss allowance
Financial assets measured at amortised cost	Recognised in profit or loss with corresponding adjustment in the carrying value through a loss allowance account.
Debt investments measured at FVTOCI	Recognised in profit or loss with corresponding adjustment in OCI. The loss allowance is accumulated in the 'Reserve for debt instruments through OCI', and is not adjusted with the carrying value of the financial asset

Impairment methodology:**Overall impairment methodology**

Particulars	Stage 1 (Performing)	Stage 2 (Under-performing)	Stage 3 (Non-performing)
Credit quality	Not deteriorated significantly since its initial recognition.	Deteriorated significantly since its initial recognition	Objective evidence of impairment
ECL model	PD / LGD Model	PD / LGD Model	Cash flow model
ECL	12-month ECL	Life-time ECL	Life-time ECL
ECL Computation	(PD * LGD * EAD)	(PD * LGD * EAD)	Expected Cash Flow basis

A) For loans, cash credit and term loans measured at amortised cost**a) Definition of default:**

A default shall be considered to have occurred when any of the following criteria are met:

- An asset is more than 90 days past due
- If one facility of borrower is NPA, all the facilities of that borrower are to be treated as NPA.

For the purpose of counting of days past due for the assessment of default, special dispensations in respect of any class of assets, if any (e.g. under COVID-19 relief package of RBI) are applied in line with the notification by the RBI in this regard.

b) Portfolio segmentation:

The entire portfolio is segmented into homogenous risk segments. Common factors for segmentation includes asset classes, internal rating grade, size, geography, product etc.

c) Probability of Default (PD):**12-month PD for all the sectors except Onward Lending to NBFCs:**

PD is the likelihood of a borrower defaulting on its obligations within a given interval of time. PD is computed based on the default analysis conducted by external credit bureau for all the sectors (except onward lending) at individual facility level and 12 months default percentage arrived score wise and sector wise for all the sectors.

To compute a 12-month PD for each sector, sector-wise and score-wise default rates as provided by the external credit bureau which is taken as base and calibration model is used to derive the default rates score-wise on the basis of decreasing ranks of scores. The above process is followed for all the sectors to derive score-wise and sector specific default rates which will be used as 12-month PD.



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12-month PD for Onward Lending to NBFCs:

For Onward Lending, average of PD above investment grades provided by CRISIL for NBFC specific sector has been considered as PD.

Life-time PD:

Life-time PD is applied for Stage 2 accounts.

Life-time PDs are computed based on survival approach. Survival analysis is statistics for analyzing the expected duration of time until default event happens.

Life-time PD is computed = $(1 - (\text{Probability of surviving in year 1})^{\text{remaining tenure}})$

d) Loss given default:

Loss given default (LGD) represents recovery from defaulted assets. Foundational-Internal Rating Based (F-IRB) approach is used for the LGD computation.

(20.5) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

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.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss.

(20.6) Financial liabilities and equity instruments

(20.6.1) Classification as debt or equity

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.

(20.6.2) Equity instruments

An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

(20.6.3) Compound financial instruments

The component parts of compound financial instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.



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At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest rate method until extinguished upon conversion or at the instrument's maturity date.

(20.6.4) Financial Liabilities

A financial liability is any liability that is:

- Contractual obligation:
 - to deliver cash or another financial asset to another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

The Company has not designated any financial liabilities at FVTPL.

(20.6.4.1) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange 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 recognised in the statement of profit and loss.

(20.6.5) Write-off

Loans and debt securities are written-off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a de-recognition event. The Company may apply enforcement activities to financial assets written-off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

(21) Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include interest rate swaps and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the resulting gain/loss is recognised through other comprehensive income (OCI). The Company designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.



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Notes forming part of the financial statements (continued)

For the year ended March 31, 2022

(22) Hedge accounting policy

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

(23) Cash flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect the statement of profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

(24) Key accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, expected credit loss on loan books, future obligations in respect of retirement benefit plans, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.



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Notes forming part of the financial statements (continued)

For the year ended March 31, 2022

(25) Earnings per share

Basic earnings per share is computed by dividing the profit/ (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/ (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

(26) Cash flow statement

The statement of cash flows shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities.

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated.

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.

(27) Standards issued but not yet effective

No new standard as notified by Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules are effective for the current year.

2. Corporate Information

UGRO Capital Limited ('the Company'), is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is a systemically important non-deposit taking Non-Banking Financial Company ('NBFC-ND-SI') as defined under Section 45-IA of the Reserve Bank of India Act, 1934. The Company is registered with effect from March 11, 1998 having Registration No. 13.00325. The Company is engaged in the business of lending and primarily deals in financing MSME sector with focus on Healthcare, Education, Chemicals, Food Processing/FMCG, Hospitality, Electrical Equipment & Components, Auto Components and Light Engineering segments.



Notes forming part of the financial statements (continued)
For the year ended March 31, 2022

(Rupees in lakh)

3. Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	-	-
Balances with banks		
- in current accounts	6,174.61	6,764.51
- in fixed deposits with banks (original maturity less than 3 months)	400.33	5,601.04
Total	6,574.94	12,365.55

4. Bank balances other than cash and cash equivalents above

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividend on equity shares	1.43	1.43
Fixed deposits with Banks and Financial Institution*	12,261.68	19,237.56
Less: Impairment loss allowance**	2.86	-
Total	12,260.25	19,238.99

* Earmarked balances with Banks and Financial Institution are to the tune of Rs 12,255.37 lakh (previous year : Rs 871.21 lakh)

**Impairment Loss allowance is calculated on Fixed Deposits with Banks and Financial Institution



Notes forming part of the financial statements (continued)
For the year ended March 31, 2022

(Rupees in lakh)

5. Derivative financial instruments

	As at March 31, 2022			As at March 31, 2021		
Part I	Notional Amounts	Fair value - Assets	Fair value - Liabilities	Notional Amounts	Fair value - Assets	Fair value - Liabilities
(i)Currency derivatives:						
-Currency swaps*	3,109.43	22.29	-	-	-	-
(ii)Interest rate derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments	3,109.43	22.29	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i)Fair value hedging:						
-Currency derivatives	-	-	-	-	-	-
(ii)Cash flow hedging:						
-Currency derivatives*	3,109.43	22.29	-	-	-	-
Total Derivative Financial Instruments	3,109.43	22.29	-	-	-	-

* This refers to Cross Currency Interest rate swaps

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The table above shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.



Notes forming part of the financial statements (continued)
For the year ended March 31, 2022

(Rupees in lakh)

6. Loans

Particulars	As at March 31, 2022	As at March 31, 2021
Loans at amortised cost		
(A)		
Supply chain receivables	25,021.38	18,660.24
Term loans	2,24,090.54	1,12,159.42
Loans to employees	0.82	11.95
Total Gross Loans	2,49,112.74	1,30,831.61
Less: Impairment loss allowance	4,064.40	2,562.00
Total Net Loans	2,45,048.34	1,28,269.61
(B)		
Secured by book debts	27,925.48	24,983.39
Secured by property	1,04,885.65	56,383.46
Secured by machinery	23,066.06	7,089.63
Unsecured	93,235.55	42,375.13
Total Gross Loans	2,49,112.74	1,30,831.61
Less: Impairment loss allowance	4,064.40	2,562.00
Total Net Loans	2,45,048.34	1,28,269.61
(C)		
Loans in India		
Public sector	-	-
Others	2,49,112.74	1,30,831.61
Total Gross Loans	2,49,112.74	1,30,831.61
Less: Impairment loss allowance	4,064.40	2,562.00
Total - Net (a)	2,45,048.34	1,28,269.61
Loans outside India (b)	-	-
Total - Net (a)+(b)	2,45,048.34	1,28,269.61

Note :

1. There are no loans due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member as at and for the year ended March 31, 2022 and March 31, 2021.

2. The underlying securities for the assets secured by tangible assets are property, machinery and book debts.

7. Investments

Particulars	As at March 31, 2022	As at March 31, 2021
Investments - at FVTPL		
Mutual funds (unquoted)	-	4,014.54
Security Receipts	2,648.11	-
Investments - at amortised cost		
Debt securities	4,296.72	1,508.21
Less: Impairment loss allowance	0.84	-
Total Net Investments	6,943.99	5,522.75
Investments in India	6,944.83	5,522.75
Investments outside India	-	-
Total - Gross Investments	6,944.83	5,522.75
Less: Impairment loss allowance	0.84	-
Total - Net Investments	6,943.99	5,522.75

Note : For valuation methodology Refer Note 51



Notes forming part of the financial statements (continued)
For the year ended March 31, 2022

(Rupees in lakh)

8. Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	551.15	323.11
Other receivables	241.64	357.77
Less: Impairment loss allowance	3.17	-
Total	789.62	680.88

9. Current tax assets (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Current tax assets		
Advance tax and tax deducted at source (Net of provision for tax Rs.926.44 lakh (Previous year: Nil))	164.23	-
Total	164.23	-

10. Deferred tax assets (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
Tax effect of timing differences on account of -		
Provision for compensated absences	83.72	49.75
Provision for gratuity	24.36	20.71
Processing fees received	836.37	358.33
Provision for impairment loss on financial instruments	1,249.12	746.06
Lease rentals expense under Ind AS 116	100.25	71.99
Preliminary expense	69.81	132.50
Disallowance on account of Employee stock options scheme outstanding	217.44	248.64
Unutilised minimum alternate tax credit entitlement	1,587.34	926.44
Income tax losses carried forward	2,856.51	2,748.92
Others	205.20	28.88
Total (A)	7,230.12	5,332.22
Deferred tax liabilities		
Tax effect of timing differences on account of -		
Difference in written down value of property, plant and equipment and intangible assets	218.84	157.79
Adjustment on account of direct assignment transactions	447.75	22.27
Unrealised gains on investments	-	3.91
Prepaid fees / charges on debt securities allowed upfront in income tax	348.20	113.61
Prepaid fees / charges on borrowings allowed upfront in income tax	624.58	361.12
Deferred loan sourcing cost allowed upfront in income tax	1,209.12	379.97
Total (B)	2,848.49	1,038.67
Deferred tax assets (net) (A-B)	4,381.63	4,293.55



Notes forming part of the financial statements (continued)
For the year ended March 31, 2022

(Rupees in lakh)

11. Property, plant and equipment

Particulars	As at March 31, 2022				As at March 31, 2021			
	IT and Office equipments	Leasehold improvements	Furniture and fixtures	Total	IT and Office equipments	Leasehold improvements	Furniture and fixtures	Total
At cost at the beginning of the year	381.99	375.75	14.70	772.44	347.36	375.64	14.70	737.70
Additions during the year	120.24	-	13.60	133.84	34.63	0.11	-	34.74
Disposals/adjustments during the year	-	-	-	-	-	-	-	-
At cost at the end of the year	502.23	375.75	28.30	906.28	381.99	375.75	14.70	772.44
Accumulated depreciation as at the beginning of the year	118.71	182.10	3.03	303.84	54.12	95.13	1.63	150.88
Depreciation/amortisation for the year	87.83	82.61	1.57	172.01	64.59	86.97	1.40	152.96
Disposals/adjustments during the year	-	-	-	-	-	-	-	-
Accumulated depreciation as at the end of the year	206.54	264.71	4.60	475.85	118.71	182.10	3.03	303.84
Net carrying amounts as at the end of the year	295.69	111.04	23.70	430.43	263.28	193.65	11.67	468.60

Note: No revaluation of any class of asset was carried out during the year.



Notes forming part of the financial statements (continued)
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(Rupees in lakh)

12 . Right of use assets

Particulars	As at March 31, 2022	As at March 31, 2021
At fair value at the beginning of the year	1,971.28	1,854.97
Remeasurement of assets	10.42	24.21
Additions during the year	1,914.56	92.10
At fair value at the end of the year	3,896.26	1,971.28
Accumulated depreciation as at the beginning of the year	876.97	510.96
Depreciation for the year	481.01	366.01
Accumulated depreciation as at the end of the year	1,357.98	876.97
Net carrying amount as at the end of the year	2,538.28	1,094.31

13. Capital work in progress

Particulars	As at March 31, 2022	As at March 31, 2021
Capital work in progress	20.25	-
Total	20.25	-

The ageing for capital work in progress as on 31 March, 2022 is as follows

Particulars	Amount in Capital Work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	20.25	-	-	-	20.25
Projects temporarily suspended	-	-	-	-	-
Total	20.25	-	-	-	20.25

14. Intangible assets under development

Particulars	As at March 31, 2022	As at March 31, 2021
Softwares	568.54	388.41
Total	568.54	388.41

The ageing for Intangible assets under development as on 31 March, 2022 is as follows

Particulars	Amount in Capital Work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	208.85	276.94	72.33	10.42	568.54
Projects temporarily suspended	-	-	-	-	-
Total	208.85	276.94	72.33	10.42	568.54

The ageing for Intangible assets under development as on 31 March, 2021 is as follows

Particulars	Amount in Capital Work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	305.66	72.33	10.42	-	388.41
Projects temporarily suspended	-	-	-	-	-
Total	305.66	72.33	10.42	-	388.41



Notes forming part of the financial statements (continued)
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(Rupees in lakh)

15. Other intangible assets

Particulars	As at March 31, 2022	As at March 31, 2021
Software* :		
At cost at the beginning of the year	2,972.79	2,095.18
Additions during the year	1,136.78	877.61
Disposal/ adjustments during the year	(16.59)	-
At cost at the end of the year	4,092.98	2,972.79
Accumulated amortisation as at the beginning of the year	910.77	255.84
Amortisation for the year	588.76	654.93
Disposals/ adjustments during the year	(8.59)	-
Accumulated amortisation as at the end of the year	1,490.94	910.77
Net carrying amounts as at the end of the year	2,602.04	2,062.02

* No revaluation of any class of asset was carried out during the year.

16. Other non-financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to vendors and employees	1,162.05	410.07
Goods and services tax input credit receivable	693.63	468.40
Prepaid expenses	1,222.03	215.14
Deferred staff loan cost	0.02	0.30
Total	3,077.73	1,093.91



Notes forming part of the financial statements (continued)
For the year ended March 31, 2022

(Rupees in lakh)

17. Payables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
Due to micro and small enterprises	0.08	0.01
Due to others	666.93	218.24
Other payables		
Due to micro and small enterprises	-	-
Due to others		
- Accrued employee benefits	-	52.65
- Payable to Customers	15.04	54.71
Total	682.05	325.61

The ageing for trade payables as on 31 March, 2022 is as follows:

Particulars	Outstanding for the following periods from the due date of payment					Total
	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	0.08	-	-	-	0.08
Others	530.84	38.59	53.80	39.60	4.10	666.93
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	530.84	38.67	53.80	39.60	4.10	667.01

The ageing for trade payables as on 31 March, 2021 is as follows:

Particulars	Outstanding for the following periods from the due date of payment					Total
	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
MSME	0.01	-	-	-	-	0.01
Others	206.67	8.73	0.62	2.22	-	218.24
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	206.68	8.73	0.62	2.22	-	218.25

Details of dues to micro, small and medium enterprises

The Company has sent confirmations to suppliers to confirm whether they are covered under The Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act, 2006) as well as they have filled the required memorandum with the prescribed authorities. Out of the confirmations sent to the parties, some confirmations have been received till the date of finalisation of the Balance Sheet. Based on the confirmations received, the outstanding amounts payable to vendors covered under the Micro, Small and Medium Enterprises Development Act 2006 are given below :

Particulars	As at March 31, 2022	As at March 31, 2021
1. The principal amount remaining unpaid at the end of the accounting year.	0.08	0.01
2. The interest amount remaining unpaid at the end of the accounting year.	-	-
3. The amount of interest paid by the Company in terms of section 16 of The MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year.	-	-
4. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under The MSMED Act, 2006.	-	-
5. The amount of interest due and payable for the period (where the principal has been paid but interest under The MSMED Act, 2006 not paid)	-	-
6. The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
7. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of The MSMED Act, 2006.	-	-
The balance of MSMED parties as at the end of the year	0.08	0.01



18. Debt securities

Particulars	As at March 31, 2022		As at March 31, 2021	
	At amortised cost	Total	At amortised cost	Total
Secured				
Redeemable non-convertible debentures	54,621.07	54,621.07	24,670.81	24,670.81
Liabilities arising out of securitization transactions	3,293.38	3,293.38	1,616.85	1,616.85
Unsecured				
Commercial paper	11,472.03	11,472.03	5,269.88	5,269.88
Redeemable non-convertible debentures	990.29	990.29	-	-
Total	70,376.77	70,376.77	31,557.55	31,557.55
Debt securities in India	70,376.77	70,376.77	31,557.55	31,557.55
Debt securities outside India	-	-	-	-
Total	70,376.77	70,376.77	31,557.55	31,557.55

Security and other terms of debt securities :

(i) Terms of repayment (repayment schedule mentioned below represents principal outstanding) as on 31 March 2022:

Rate of Interest	0-12 months	12-24 months	24-36 months	36-60 months	More than 60 Months	Total
6.75 - 8.99 %	8,000.00	2,000.00	-	-	-	10,000.00
9.00 - 10.99 %	18,136.65	16,833.35	2,500.00	-	-	37,470.00
11.00 - 13.00 %	1,166.66	1,166.66	1,166.68	5,000.00	10,700.00	19,200.00
Total	27,303.31	20,000.01	3,666.68	5,000.00	10,700.00	66,670.00

(ii) Terms of repayment (repayment schedule mentioned below represents principal outstanding) as on 31 March 2021:

Rate of Interest	0-12 months	12-24 months	24-36 months	36-60 months	More than 60 Months	Total
6.75 - 8.99 %*	5,600	-	-	-	-	5,600.00
9.00 - 10.99 %*	10,000	6,500	5,000	-	-	21,500.00
11.00 - 13.00 %*	-	833.33	833.33	833.34	-	2,500.00
Total	15,600.00	7,333.33	5,833.33	833.34	-	29,600.00

The above secured debt securities are secured by specific charge on receivables under financing activities. The Company has maintained the required security cover with respect to its debt securities. Minimum security cover of 1.1 times is required to be maintained throughout of the year.

(i) Terms of repayment of borrowings under Securitization (repayment schedule mentioned below represents principal outstanding) as on 31 March 2022:

Rate of Interest	0-12 months	12-24 months	24-36 months	36-60 months	More than 60 Months	Total
Rate of Interest 9.75 % to 11.04%*	1,036.54	927.10	924.94	531.03	-	3,419.61
Total	1,036.54	927.10	924.94	531.03	-	3,419.61

(ii) Terms of repayment of borrowings under Securitization (repayment schedule mentioned below represents principal outstanding) as on 31 March 2021:

Rate of Interest	0-12 months	12-24 months	24-36 months	36-60 months	More than 60 Months	Total
Rate of Interest 10.00 % to 10.48%*	1,330.02	319.38	-	-	-	1,649.40
Total	1,330.02	319.38	-	-	-	1,649.40

* Rate of interest on term loans considered on an annualised basis payable monthly for reporting purpose.

Security and other terms of loans are as follows :

- Out of the the above, Non-convertible debentures amounting to Rs 5,000 lakh as at March 31, 2022 are guaranteed by directors.
- Debt Securities were used fully for the purpose for which the same were obtained.
- There are no default in repayment of debt securities.



19. Borrowings (other than debt securities)

Particulars	As at March 31, 2022		As at March 31, 2021	
	At amortised cost	Total	At amortised cost	Total
(a) Term loans				
From banks	67,444.47	67,444.47	18,223.33	18,223.33
From other parties	36,657.03	36,657.03	22,702.07	22,702.07
External commercial borrowings	3,137.88	3,137.88	-	-
(b) Loans repayable on demand	-	-	-	-
Bank overdraft	2,567.71	2,567.71	4,086.54	4,086.54
Total	1,09,807.09	1,09,807.09	45,011.94	45,011.94
Borrowings in India	1,06,669.21	1,06,669.21	45,011.94	45,011.94
Borrowings outside India	3,137.88	3,137.88	-	-
Total	1,09,807.09	1,09,807.09	45,011.94	45,011.94
Secured	1,03,802.48	1,03,802.48	43,637.23	43,637.23
Unsecured	6,004.61	6,004.61	1,374.71	1,374.71
Total	1,09,807.09	1,09,807.09	45,011.94	45,011.94

Terms of repayment of the term loans

(i) Terms of repayment (repayment schedule mentioned below represents principal outstanding) as on 31 March 2022:

Redeemable within (Payable in monthly instalments)	0-12 months	12-24 months	24-36 months	36-60 months	More than 60 Months	Total
For Banks :						
Rate of Interest 6 % to 12.00%*	25,303.53	19,848.93	15,402.65	7,695.37	250.00	68,500.48
For Other Parties :						
Rate of Interest 10.85 % to 12.75%*	18,696.31	13,737.48	3,456.02	1,238.08	-	37,127.89
Total	43,999.84	33,586.41	18,858.67	8,933.45	250.00	1,05,628.37

(ii) Terms of repayment of External commercial borrowings in foreign currency as on 31 March 2022:

Rate of Interest	0-12 months	12-24 months	24-36 months	36-60 months	More than 60 Months	Total
Rate of Interest 11.12%*	-	-	3,131.29	-	-	3,131.29
Total	-	-	3,131.29	-	-	3,131.29

The Company had availed total External Commercial Borrowing (ECBs) of USD 4.125 million for financing prospective borrowers as per the ECB guidelines issued by the Reserve Bank of India ("RBI") from time to time. The borrowing has a maturity of three years. In terms of the RBI guidelines, the borrowing has been swapped into rupees and fully hedged for the entire maturity by way of cross currency swaps. The charges for raising of the aforesaid ECB have been amortised over the tenure of the ECB.

(iii) Terms of repayment (repayment schedule mentioned below represents principal outstanding) as on 31 March 2021:

Redeemable within (Payable in monthly instalments)	0-12 months	12-24 months	24-36 months	36-60 months	More than 60 Months	Total
For Banks :						
Rate of Interest 10.78 % to 12.75%*	5,763.63	5,656.27	4,946.00	2,159.72	-	18,525.62
For Other Parties :						
Rate of Interest 11.75 % to 12.00%*	10,078.59	8,961.55	3,965.72	-	-	23,005.86
Total	15,842.22	14,617.82	8,911.72	2,159.72	-	41,531.48

*Rate of interest on term loans considered on an annualised basis payable monthly for reporting purpose.

Security and other terms of the loans are as follows :

- Rate of interest of the bank overdraft ranges from 7.30% per annum to 9.70% per annum and the same is secured against fixed deposits.
- The above borrowings other than Bank overdraft and unsecured borrowings are secured by specific charge on receivables under financing activities. The Company has maintained the required security cover with respect to its secured borrowings.
- Out of the the above, borrowings amounting to Rs 30,714 lakh as at March 31, 2022 are guaranteed by directors.
- Term Loans were used fully for the purpose for which the same were obtained.
- There were no default in the repayment of borrowings.
- Periodic statements of securities filed with the lending institutions are as per the books of accounts.



Notes forming part of the financial statements (continued)
For the year ended March 31, 2022

(Rupees in lakh)

20. Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividend payable on equity shares	1.43	1.43
Others payables :		
Collateral margin money received	1.67	199.67
Deferred consideration on direct assignments	23.81	156.87
Lease liabilities (Refer Note 44)	2,858.76	1,340.97
Other liabilities	1,437.96	389.09
Book overdraft	174.01	30.19
Provision on unrealised gain*	225.17	-
Total	4,722.81	2,118.22

*The unrealised gain is on account of sale of loan to ARC.

21. Current tax liabilities (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Tax (Net of advance tax and tax deducted at source Rs. 534.81 lakh (Previous year: Rs. 782.31 lakh))	126.07	144.13
Total	126.07	144.13

22. Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits :		
-Provision for gratuity (Refer Note 42b)	83.65	71.13
-Provision for compensated absences (Refer Note 42c)	287.52	170.85
-Provision for bonus	700.00	180.00
Provision for Expenses	1,616.05	517.69
Total	2,687.22	939.67

23. Other non-financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	364.23	137.64
Total	364.23	137.64



24. Equity

a. Details of authorised, issued and subscribed share capital :

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised capital				
Equity shares of Rs 10 each	8,15,00,000	8,150.00	8,15,00,000	8,150.00
Preference shares of Rs 10 each	2,05,00,000	2,050.00	2,05,00,000	2,050.00
Issued, subscribed and fully paid-up				
Equity shares of Rs 10 each, fully paid-up	7,05,59,319	7,055.94	7,05,28,550	7,052.86
Total	7,05,59,319	7,055.94	7,05,28,550	7,052.86

b. Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year :

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	7,05,28,550	7,052.86	7,05,28,550	7,052.86
Add: Shares issued during the year*	30,769	3.08	-	-
Outstanding at the end of the year	7,05,59,319	7,055.94	7,05,28,550	7,052.86

*During the year the Company has allotted 30,769 equity shares of Rs 10 each under the ESOP scheme.

c. Rights, preferences and restrictions attached to equity shares :

The Company has only one class of equity shares having a face value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their holding.

d. Particulars of shareholders holding more than 5% of the equity share capital :

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of holding	No. of Shares	% of holding
Newquest Asia Investments III Limited	1,51,16,279.00	21.42%	1,51,16,279.00	21.43%
Clearsky Investment Holdings Pte Limited	1,51,16,279.00	21.42%	1,51,16,279.00	21.43%
DBZ (Cyprus) Limited	65,07,687.00	9.22%	1,35,65,891.00	19.23%
Samena Fidem Holdings	59,56,757.00	8.44%	59,56,757.00	8.45%
Total	4,26,97,002.00	60.50%	4,97,55,206.00	70.54%

e. Shares reservation :

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares		No. of Shares	
Equity shares of Rs 10 each	29,91,097		32,57,033	
Number of Shares reserved for ESOPs (Refer Note 43)				

f. Objectives for managing capital :

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements as prescribed by the Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by the RBI.

g. Shareholding of Promoters Disclosure :

Shares held by promoters at the end of the year			% Change during the year
Promoter Name	No. of Shares	% of total shares	
1. Poshika Advisory Services LLP	20,27,709	2.87%	-
Total	20,27,709	2.87%	



Notes forming part of the financial statements (continued)
For the year ended March 31, 2022

(Rupees in lakh)

25. Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Securities premium account	77,723.91	77,673.45
(ii) Employee stock options scheme outstanding account	446.86	853.86
(iii) Reserve Fund u/s 45-IC (1) of Reserve Bank of India Act, 1934	2,401.48	2,110.47
(iv) Capital Reserve	1,046.00	1,046.00
(v) Retained Earnings - other than Remeasurement of Post Employment Benefit Obligations	7,957.55	6,493.58
(vi) Retained Earnings - Remeasurement of Post Employment Benefit Obligations	18.20	13.60
(vii) Cash Flow Hedges Reserve	6.38	-
Total	89,600.38	88,190.96

Nature and purpose of reserves :

(i) Securities Premium Account

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Employee stock options scheme outstanding

The shares options outstanding account is used to recognise the grant date fair value of options issued to employees under the stock option schemes of the Company.

(iii) Statutory reserves u/s 45-IC of the RBI Act, 1934

Statutory reserve fund is required to be created by a Non-Banking Financial Company as per Section 45- IC of the Reserve Bank of India Act, 1934. The Company is not allowed to use the reserve fund except with the authorisation of the Reserve Bank of India.

(iv) Capital Reserve

Capital reserve comprises of the amount received on share warrants & which are forfeited by the Company for non-payment of call money.

(v) Retained earnings - other than Remeasurement of Post Employment Benefit Obligations

Retained earnings represents surplus of accumulated earnings of the Company and which are available for distribution to shareholders.

(vi) Retained earnings - Remeasurement of Post Employment Benefit Obligations

The Company recognises the change on account of remeasurement of the net defined benefit liabilities (assets) as a part of the retained earnings.

(vii) Cash Flow Hedges Reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through the other comprehensive income (OCI).



Notes forming part of the financial statements (continued)
For the year ended March 31, 2022

(Rupees in lakh)

26. Interest income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
At Amortised Cost:		
Interest on loans	26,137.36	13,214.00
Interest on deposits with Banks	696.50	1,425.78
Interest on other financial assets	61.70	25.42
Other interest income	105.43	16.85
Interest on debt securities	214.29	1.38
Total	27,215.28	14,683.43

27. Net gain on derecognition of financial instruments under amortised cost category

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gain on derecognition of financial instruments	2,852.50	129.42
Total	2,852.50	129.42

28. Net gain on fair value changes

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net gain on financial instruments at fair value through profit and loss :-		
(a) On trading portfolio		
- Gain on sale of investments	49.46	34.68
(b) On financial instruments	(15.79)	-
Total	33.67	34.68
Fair value changes:		
Realised	62.89	153.65
Unrealised	(29.22)	(118.97)
Total	33.67	34.68

29. Fees and commission income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fees and commission income	626.01	133.54
Total	626.01	133.54

30. Other income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Technology support fees	433.81	300.00
Web display fees	180.00	50.00
Insurance commission income	0.32	2.77
Total	614.13	352.77



Notes forming part of the financial statements (continued)
For the year ended March 31, 2022

(Rupees in lakh)

31. Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Costs		
Interest expense on financial liabilities measured at amortised cost:		
(a) Interest on borrowings		
Interest on borrowings from banks and financial institutions	8,090.88	2,331.37
(b) Interest on debt securities		
Interest on redeemable non-convertible debentures / Discount on Commercial paper	5,416.80	1,934.05
(c) Interest on lease liabilities		
Interest on lease liabilities	225.38	171.20
(d) Other interest expense		
Interest expense on other financial liabilities	5.86	19.62
Total	13,738.92	4,456.24

32. Impairment losses on financial instruments

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
On financial instruments measured at amortised cost:		
Impairment on financial instruments		
- Loans	2,934.67	1,961.71
- Other receivables	3.17	-
- Fixed deposits	2.86	-
- Investments	0.84	-
Total	2,941.54	1,961.71

33. Employee benefits expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, other allowances and bonus	7,074.49	4,159.92
Contribution to provident and other funds (Refer Note 42a)	236.77	120.15
Gratuity expenses (Refer Note 42b)	38.19	37.62
Staff welfare expenses	46.76	9.87
Share based payments to employees (Refer Note 43)	(107.15)	205.11
Total	7,289.06	4,532.67

34. Depreciation, amortisation and impairment

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	172.08	152.96
Amortization on intangible assets	580.17	654.93
Depreciation on right of use assets	481.01	366.02
Total	1,233.26	1,173.91

