SVATANTRA MICROFIN PRIVATE LIMITED

ANNUAL REPORT 2020-21

DIRECTORS' REPORT

Dear Members,

The Board of Directors hereby submits the 10th Board Report on the business and operations of the Company ("the Company") along with the Audited Financial Statements for the Financial Year ended March 31, 2021.

1. FINANCIAL RESULTS AND OPERATIONAL PERFORMANCE OF THE COMPANY:

The financial performance of the Company for the Financial Year ended 31st March, 2021 is summarized below:

(Rs. in Lakhs)

PARTICULARS	31st March, 2021	31st March, 2020*
Income		
Revenue from operations	55,684.85	39,084.91
Other Income	313.68	83.42
Less: Total Expenditure	52,314.10	35,217.62
Profit / Loss Before Tax	**3,684.43**	**3950.71**
Less: Current Tax	2874	1295.20
Less: Deferred tax income/Expenses	(1897.69)	(217.47)
Profit/Loss After Tax (A)	**2708.12**	**2872.98**
Other Comprehensive Income, Net of Tax		
Item that will not be reclassified to the statement of Profit and Loss	(12.02)	62.13
Income tax Expense on above	3.03	(15.64)
Other Comprehensive Income (B)	**(8.99)**	**46.49**
Total Comprehensive Income (A) + (B)	**2699.13**	**2919.47**

Operational performance for the fiscal year 2020-21 is summarized in the following table:

Particulars	**FY March 31, 2021**	**FY March 31, 2020***	**Increase/Decrease over % FY 2020-21**
Number of Branches	512	449	14.03%
Number of Active Members	12,73,088	10,32,242	23.33%
Number of Employees	4,613	3,927	17.46%
Number of States	17	14	21.42%
Amount disbursed (INR in Lakhs)	2,41,437.99	2,48,630.62	-2.89%
Gross Loan Portfolio (INR in Lakhs)	3,07,600.52	2,12,605.77	44.68%

*** March, 2020 figures have been reclassified/regrouped as per IND-AS to make them comparable with March, 2021 figures being first year of transition to IND-AS.**

2. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR:

The Company is registered with Reserve Bank of India (RBI) as Non - Deposit accepting NBFC-MFI vide Registration No. N-13.02038 granted on February 05, 2013.

The Company attained business performance by reaching out to 1,273,088 active loan clients as on 31st March, 2021 which has grown from 1,032,242 as on 31st March, 2020. The growth in active members during the year was 23.33%.

The above was possible with excellent efforts of 4,613 employees of the Company as on 31st March 2021, which was 3927 as on 31st March 2020, through 512 branches across 17 States. During the year under review, the Company opened 63 new branches.

The Company already has borrowing arrangement with large number of lenders and has started association with a few more institutions to diversify its sources of borrowing.

3. DIVIDEND:

In view of planned business growth and in order to conserve resources, your Directors' do not propose and recommend any dividend for the year ended on 31st March, 2021.

4. TRANSFER TO RESERVES:

During the year under review, your Company transferred Rs. 541.63 Lakhs to Statutory Reserve pursuant to Section 45-IC of the Reserve Bank of India Act, 1934.

5. CHANGE IN NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business during the year under review.

6. DEPOSITS:

The Company had not accepted any public deposits during the year within the meaning of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions 1998.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes or commitments, which have occurred after the closure of the financial statements for the Financial Year 2020-21 till the date of this Report, that affect the financial position of the Company in any adverse way.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There were no significant or material orders passed by any Courts or Regulators or Tribunals during the Financial Year 2020-21 that, in the opinion of the Board, have an impact on the going concern status and the operations of the Company in the future.

9. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company does not have any Subsidiary/Joint Venture/Associate Companies as on date of Balance Sheet and the date of Report.

10. SHARE CAPITAL:

a. Authorised Share Capital of the Company:

During the year under review, there is no change in Authorised Share Capital of the Company. The Authorised Share Capital of the Company stood at Rs. 1055,00,00,000/- (Rupees One Thousand Fifty Five Crores Only) divided into 75,50,00,000 (Seventy Five Crore Fifty Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each and 3,00,00,000 (Three Crore) Preference Shares of Rs. 100/- (Rupees Hundred Only) each.

b. Issued, Subscribed & Paid-up Share Capital of the Company:

During the year under review, the Issued, Subscribed & Paid-up Share Capital of the Company has increased from Rs. 332,04,68,750/- to Rs. 5,070,468,750/-. The details of the shares issued and allotted during the financial year is given hereunder:

Sr. No.	Security	Type of Issue	Date of allotment	No. of securities allotted	Issue Price Per Security	Amount (In Rs.)	Name of Allotee
1.	Preference Shares	Rights Issue	30.09.2020	50,00,000	Rs. 100/-	50,00,00,000/-	Svatantra Holdings Private Limited
2.	Preference Shares	Rights Issue	30.03.2021	125,00,000	Rs. 100/-	125,00,00,000/-	Svatantra Holdings Private Limited
Total				**175,00,000**	**Rs. 100/-**	**175,00,00,000/-**	

c. Non- Convertible Debentures:

In the FY 2020-21, Company issued Non-convertible Debentures on private placement basis aggregating to Rs. 380 Crores. Details of the Non-Convertible Debentures issued to the allotees are mentioned below:

S. No.	Date of allotment	Name of Allottees	No. of NCD	Price per NCD (INR)	Status
1.	01.06.2020	Bank of Maharashtra	150	10,00,000	Listed
2.	04.06.2020	DCB Bank Limited	100	10,00,000	Listed
3.	08.06.2020	CSB Bank Limited	150	10,00,000	Listed
4.	11.06.2020	Canara Bank	200	10,00,000	Listed
5.	16.06.2020	Bandhan Bank	600	10,00,000	Unlisted
6.	30.06.2020	Union Bank of India	250	10,00,000	Listed
7.	31.07.2020	Bank of Maharashtra	500	10,00,000	Listed
8.	20.08.2020	Indian Overseas Bank	250	10,00,000	Listed
9.	01.10.2020	Bank of Baroda	500	10,00,000	Listed
10.	24.02.2021	Northern Arc Capital Limited and AK Capital Services Limited	500	10,00,000	Listed
11.	30.03.2021	Tata Capital Financial Services Limited and AK Capital Services Limited	600	10,00,000	Listed
Total			**3800**		

11. DEBENTURE TRUSTEES DETAILS:

The Debenture Trustees details are as follows:

a. CATALYST TRUSTEESHIP LIMITED

Contact no.: 022-49220520; Email: ComplianceCTL-Mumbai@ctltrustee.com;

Address: Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai – 400098;

Website: www.catalysttrustee.com.

b. Vistra ITCL (India) Limited

Contact no.: 022-26593535; Email: mumbai@vistra.com;

Address: The IL&FS Financial Center Plot No. C–22, G Block, Bandra Kurla Complex, Bandra(E), Mumbai 400051;

Website: www.vistraitcl.com.

12. ISSUE OF SHARES UNDER EMPLOYEE STOCK OPTION SCHEME:

The Company has a stock option plan under 'Svatantra Microfin Employee Stock Options Plan 2017 ("ESOP 2017") for its employees. As on March 31, 2021, the following stock option grants were in operation:

Number of options granted during the year	771,071
Number of options vested during the year	321,698
Number of options exercised during the year	Nil

Total number of shares arising as a result of exercise of option during the year	Nil
Options lapsed during the year	Nil
Exercise price	Rs. 20.00/-
Variation of terms of options	Nil
Money realized by exercise of options	Nil
Total number of options in force	1,713,051

Employee wise details of the options granted to:

i. **Key Managerial Personnel** –

Name	Designation	Options Granted	Exercise Price
Mr. Anujeet Varadkar	Chief Executive Officer (CEO)	41,440	20
Ms. Vrushali Vishal Mahajan	Chief Financial Officer (CFO)	32,699	20
Mr. Surinder Kumar Bhatia	Company Secretary (CS)	29,138	20

ii. **Any employee who receives a grant of option in any one year of option amounting to 5% or more of options granted during that year –**

In the Financial Year 2020-21	
Name of Employee	**No. of options granted**
Anujeet Varadkar	41,440

iii. **Employees who were granted options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant**

In the Financial Year 2020-21	
Name of Employee	**No. of options granted**
NIL	NIL

13. LISTING:

During the year, Non-Convertible Debentures issued aggregating to Rs. 320 Crore were listed on BSE Limited.

14. DISCLOSURE REGARDING COST RECORDS:

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

15. STATUTORY AUDITORS:

The tenure of existing Statutory Auditor of the Company **"Suresh Surana & Associates LLP, Chartered Accountants"** [Firm Registration No. 121750W/W-100010] will be expiring in the Annual General Meeting of the Company to be held in the year 2021.

16. AUDITOR'S REPORT:

Suresh Surana & Associates LLP, Chartered Accountants [Firm Registration No. 121750W/W-100010], Statutory Auditors for the Company who conducted the audit for the financial year 2020-21 have submitted their report. The Notes on the Financial Statements refer to the report are self-explanatory and do not call for any further comments.

There are no qualifications or adverse remarks in the Auditor's Report which require any clarification/explanation.

17. ANNUAL RETURN:

In accordance with the provision 92(3) of the Companies Act, 2013, Annual Return of the Company is available on the Company's website at the web link: https://svatantramicrofin.com.

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a. Composition of Board of Directors:

As on 31st March, 2021, the Board of the Company is duly constituted as per the Companies Act, 2013, with the following as its Members:

Mr. Kumar Mangalam Birla	-	Director
Mrs. Neerja Birla	-	Director
Ms. Ananyashree Birla	-	Chairperson & Director
Mr. Vineet Bijendra Chattree	-	Director

All the directors of the Company have diversified experience and specialized knowledge in various areas relevant to the Company.

b. Changes in the Composition of Board of Directors:

During the year under review, there has been no change in composition of Board of Directors.

c. Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Board, who was evaluated on parameters such as level of engagement and contribution and independence of judgment to safeguard the interest of the Company and its minority shareholders. The reports were scrutinized by the

Nomination & Remuneration Committee. The Directors expressed satisfaction with the evaluation process.

d. Key Managerial Personnel:

During the year under review, Mrs. Vrushali Vishal Mahajan was appointed as Chief Financial Officer (CFO) of the Company w.e.f. 30th May, 2020.

The following are the Key Managerial Personnel as on 31st March, 2021 as well as on date of this report:

Mr. Anujeet Varadkar. - Chief Executive Officer
Mrs. Vrushali Vishal Mahajan - Chief Financial Officer
Mr. Surinder Kumar Bhatia. - Company Secretary.

19. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the financial year ended on 31st March, 2021, 12 (Twelve) Meetings of the Board of Directors of the Company were held. The attendance of the Board of Directors in these Meetings were as follows:

Sr. No.	No. of the Board Meeting	Date of the Board Meeting	No. of Directors Present
1.	1/2020-21	30.05.2020	3
2.	2/2020-21	25.06.2020	2
3.	3/2020-21	24.07.2020	2
4.	4/2020-21	04.09.2020	2
5.	5/2020-21	26.09.2020	2
6	6/2020-21	30.09.2020	2
7	7/2020-21	14.12.2020	4
8	8/2020-21	04.02.2021	3
9	9/2020-21	01.03.2021	2
10	10/2020-21	09.03.2021	2
11	11/2020-21	25.03.2021	3
12	12/2020-21	30.03.2021	4

Name of Directors	No of Board Meetings during FY 2020-21		
	Held	Eligible to attend	Attended
Mr. Kumar Mangalam Birla	12	12	3
Mrs. Neerja Birla	12	12	10
Ms. Ananyashree Birla	12	12	6
Mr. Vineet Bijendra Chattree	12	12	12

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

Conservation of energy, Technology absorption:

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

Foreign exchange earnings and Outgo:

The Company neither had any foreign exchange earnings nor any outgo during the year under review.

21. SECRETARIAL AUDIT:

Under the requirements of Section 204(1) of the Act and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s N S & Associates, Company Secretaries, (CP No. 9312), to conduct Secretarial Audit for the financial year 2020-21. The Report for the financial year ended 31st March 2021, is annexed to this report as "***ANNEXURE A***". There has been no qualification, reservation or adverse remark or disclaimer in their Report.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year under review, the Company has extended Inter Corporate loan(s) amounting to Rs. 166,00,00,000/- (Rupees One Hundred Sixty Six Crores) and complied with the necessary regulatory guidelines in this regards.

The Company has not made any investment(s) or provided guarantee(s) as covered under Section 186 of the Companies Act, 2013.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

A Statement containing details of material contracts or arrangements or transactions with Related Parties on an arm's length basis with respect to transactions covered under Section 188(1) of the Act, in the prescribed Form No. AOC-2, is attached as ***"ANNEXURE B"***. Further, details of Related Party Transactions, as required to be disclosed by Indian Accounting Standard – 24 on "Related Party Disclosures" specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, are given in the Notes to the Financial Statements.

During the year, the Company has not entered into any transaction with Related Parties which is not in its ordinary course of business or not on an arm's length basis and which requires disclosure in this Report in terms of the provisions of Section 188(1) of the Act.

The policy on Related Party Transactions, as approved by the Board, is displayed on the website of the Company i.e. https://svatantramicrofin.com.

24. CORPORATE SOCIAL RESPONSIBILITY

In accordance with Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee consisting of the following Members:

Ms. Ananyashree Birla	Director
Mrs. Neerja Birla	Director
Mr. Vineet Bijendra Chattree	Director

The brief outline of the CSR Policy of the Company and the initiative undertaken by the Company on CSR activities are set out in ***"ANNEXURE C"*** and forms part of this Report.

25. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

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

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

c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. the directors had prepared the annual accounts on a going concern basis;

e. 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.

f. the directors had laid down internal financial controls to be followed by the company, and that such internal financial controls are adequate and were operating effectively.

26. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER FOR DIRECTORS AND EMPLOYEES:

The Vigil Mechanism system/Whistle Blower Policy has been established with a view to provide a tool to directors and employees of the Company to report to the management genuine concerns including unethical behavior, actual or suspected fraud. The Policy provides adequate safeguards against victimization of director(s)/employee(s) who avail of the mechanism. The Company has not received any reference under the said policy during the year.

The Vigil Mechanism system/ Whistle Blower Policy is displayed on the Company's website at https://svatantramicrofin.com/.

27. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report for the year under review is presented in **"*ANNEXURE D*"**, which forms part of this report.

28. CREDIT RATING:

During the year under review, the Credit Rating Agencies have assigned the following credit ratings to the Company:

S. No.	Particulars	Current Rating
1.	Bank loan rating	CRISIL A+(Stable)
2.	Subordinated Debt/Non-Convertible Debenture of INR 155 Crores	CRISIL A+(Stable)
3.	Subordinated Debt of INR 75 Crores	ICRA A-(Stable)
4.	Subordinated Debt of INR 75 Crores	CARE A; Stable
5.	Non-Convertible Debentures of INR 350 Crores	CRISIL A+(Stable)
6.	Non-Convertible Debentures of INR 50 Crores	CARE A; (Stable)
7.	Short Term Debt of INR. 100 Crore	CRISIL A1+

29. RISK MANAGEMENT:

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement, and monitor the risk management plan for the Company. The committee will be responsible for reviewing the risk management plan, ensuring its effectiveness and verifying adherence to various risk parameters. The Company's Risk Management strategy is based on clear understanding of various risks, disciplined risk assessment and continuous monitoring. The Risk Management Committee reviews various risks with which the organization is exposed including Credit Risk, Interest Rate Risk, Liquidity Risk and Operational Risk. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis in ***Annexure D***, which is a part of this report.

30. INTERNAL FINANCIAL CONTROLS:

A benchmark of internal control system, based on suitable criteria, is in place to enable the management to assess and state adequacy of and compliance with the system of internal control and operating effectively. Internal control of the Company is a well-defined process designed to facilitate and support the achievement of business objectives. The system of internal control is integral to the activities of the Company and based on a consideration of significant risks in operations, compliance and financial reporting.

The Company has an effective internal control process effected by its people that supports the organization in several ways, enabling it to provide reasonable assurance regarding risk and to assist in the achievement of objectives.

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanism, accuracy and completeness of the accounting record and timely preparation of reliable financial disclosures.

31. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Board of Directors hereby declare that the Company is in compliance of the provisions of all applicable Secretarial Standards issued by Institute of Company Secretaries of India (ICSI).

32. MANAGERIAL REMUNERATION:

In terms of the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) thereof for the time being in force, the details of remuneration etc. of Directors, Key Managerial Personnel and employees covered under the said Rules is attached as "***Annexure E***" which forms part of this report.

33. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

Pursuant to the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, your Company has a policy and framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programmes against sexual harassment are conducted across the organization.

No complaints were received during the financial year 2020-21.

34. OTHER DISCLOSURES:

a. Details of Frauds reported by the Statutory Auditors under Section 143 (12) of the Companies Act, 2013 during the Financial Year:

During the year under review, no frauds were reported by the Statutory Auditors, requiring intimation under Section 143 (12) of the Companies Act, 2013, for the Company and therefore no details are required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

b. Sweat Equity Shares issued during the Year:

The Company has not issued any Sweat Equity Shares during the Financial Year under review.

c. **There has not been any revision in the financial statements.**

d. **The Company, in the capacity of Financial Creditor, has not filed any applications with National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 during the financial year 2020-21 for recovery of outstanding loans against any customer being Corporate Debtor.**

e. **The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof. –** Not Applicable

35. RBI GUIDELINES:

The Company is registered with the Reserve Bank of India as a NBFC-MFI within the provisions of the NBFC (Reserve Bank of India) Directions, 1998. The Company continues to comply with all the requirements prescribed by the Reserve Bank of India as applicable to it

36. ACKNOWLEDGEMENTS:

The Board of Directors of the Company takes this opportunity to express its deep and sincere gratitude for the support and co–operation from the Borrowers, Banks, Financial Institutions, Investors, and Employees of the Company, for their consistent support and encouragement to the Company. The Board of Directors also places on record its sincere appreciation of the commitment and hard work put in by the Management and the employees of the Company and thanks them for yet another excellent year. Their dedication and competence has ensured that the Company continues to be a significant player in the Microfinance industry.

FOR SVATANTRA MICROFIN PRIVATE LIMITED

Sd/-
ANANYASHREE BIRLA
(CHAIRPERSON)
DIN: 06625036

Date: 06.09.2021
Place: Mumbai

ANNEXURE A

SECRETARIAL AUDIT REPORT

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Svatantra Microfin Private Limited
Sunshine Tower, Level 20,
Senapati Bapat Marg, Elphinstone Road
Mumbai - 400013
CIN: U74120MH2012PTC227069

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Svatantra Microfin Private 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 also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the **Financial year ended on 31st March, 2021 ("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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder**;**

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and By-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent as applicable;

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

  (a) The SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;

  (b) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;

  (c) The SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

  (d) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(vi) Other laws applicable specifically to the Company namely:

- The Provision relating to Non-Banking Financial Companies (NBFC's) under the Reserve Bank of India Act, 1934 and policies and directions issued by the Reserve Bank of India.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India; and
(ii)The Listing Agreement entered into by the Company with BSE Limited for its debt instruments.

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

I further report that

1. The Board of Directors of the Company is duly constituted with the all Directorsbeing Non-Executive Directors. There were no changes in the composition of the Board of Directors during the period under review.
2. Adequate notice was given to all the directors to schedule the Board Meetings and agenda were also 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.
3. As per the minutes duly recorded and signed, all decisions at Board Meetings and Committee Meetings are carried out unanimously.

I 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.

I further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

I further report that during the audit period the Company has:

1. Issued and allotted 50,00,000 (Fifty Lacs) - 5% Compulsorily Convertible Non-Cumulative Preference Shares ("CCPS") of Rs. 100/- (Rupees Hundred Only) each fully paid up for cash at par to Svatantra Holdings Private Limited dated 30thSeptember, 2020.
2. Issued and allotted 1,25,00,000 (One Crore Twenty Five Lacs) - 5% Compulsorily Convertible Non-cumulative Preference Shares ("CCPS") of Rs. 100/- (Rupees Hundred Only) each fully paid up for cash at par to Svatantra Holdings Private Limited dated 30thMarch, 2021.
3. Issued and allotted 3,200 (Thirty Two Hundred) rated, listed, senior, secured, redeemable, taxable, non-convertible debenture denominated each having a face value of Rs. 10,00,000/- (Rupee Ten Lakhs) aggregating to Rs. 320,00,00,000/- (Rupees Three Hundred Twenty Crores only).
4. Issued and allotted 600 (Six Hundred) rated, senior, secured, fully paid up, redeemable, taxable, transferable, non-convertible debenture denominated each having a face value of Rs. 10,00,000/- (Rupee Ten Lakhs) aggregating to Rs. 60,00,00,000/- (Rupees Sixty Crore only).

We further report that the report is issued on the basis of documents and papers provided to us by the management of the Company in the form of electronic mode. Due do COVID 19 the physical verification is not possible.

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.

For N S & Associates
(Company Secretaries)

Sd/-
CS Nagendra Chauhan
Proprietor
M.No. 8307, CP No. 9312
UDIN: F008307C000903291
Peer Review Cert. No.: 909/2020

Place: Delhi
Date: 06.09.2021

Annexure - I to the Secretarial Audit Report

To,
The Members,
Svatantra Microfin Private Limited
Sunshine Tower, Level 20,
Senapati Bapat Marg, Elphinstone Road
Mumbai – 400013

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. I 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. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, the Company has provided the certified copies or extracts of the records and documents. I have also relied upon 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, guidelines, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For N S & Associates
(Company Secretaries)

Sd/-
CS Nagendra Chauhan
Proprietor
M.No. 8307, CP No. 9312
M.No. 8307, CP No. 9312
UDIN: F008307C000903291
Peer Review Cert. No.: 909/2020

Place: Delhi
Date: 06.09.2021

ANNEXURE B

FORM NO. AOC - 2

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

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

Svatantra Microfin Private Limited

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

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

(a) **Name(s) of the related party and Nature of relationship**	**(b)** **Nature of contracts/arrangements/transactions**	**(c)** **Duration of the contracts/arrangements /transactions**	**(d)** **Salient terms of the contracts or arrangements or transactions including the value, if any:**	**(e)** **Date(s) of approval by the Board, if any:**	**(f)** **Amount paid as advances, if any:**
Vodafone Idea Limited Mr. Kumar Mangalam Birla – Common Director	Purchase of SIM cards	On-going	As per the plans prescribed by Vodafone	N.A.	N.A.

FOR SVATANTRA MICROFIN PRIVATE LIMITED

Sd/-
ANANYASHREE BIRLA
(CHAIRPERSON)
DIN: 06625036

Date: 06.09.2021
Place: Mumbai

svatantra

ANNEXURE C

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIALYEAR 2020-21

1. **Brief outline on CSR Policy of the Company.**

   Pursuant to Section 135(1) of the Companies act 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors has constituted a CSR Committee. The Board has also framed a CSR policy in compliance with the provisions of Companies Act 2013.

   In line with CSR Policy and in accordance with Schedule VII of the Act, the Company proposes to undertake suitable projects in the field of promotion of healthcare, including preventive health care and sanitation and disaster management, education, women empowerment, and humanitarian relief.

   The objective of the company's CSR policy is to lay down guiding principles for proper functioning of CSR activities to attain sustainable development of the nearby society.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee heldduring the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Ananyashree Birla	Director	3	1
2.	Mrs. Neerja Birla	Director	3	3
3.	Mr. Vineet Bijendra Chattree	Director	3	3

3. **Provide the web-link where Composition of CSRcommittee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

   https://svatantramicrofin.com/

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

   Not Applicable

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

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

6. **Average net profit of the company as per section 135(5).**

   Rs. 19,53,19,400/-

7. **(a) Two percent of average net profit of the company asper section 135(5)**

   Rs. 39,06,388/-

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

   NIL

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

   NIL

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

   Rs. 39,06,388/-

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified underSchedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 3,59,345/-	Rs. 35,50,000/-	29-04-2021	N.A.	NIL	N.A.

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation – Through Implementing Agency

				State	District						Name	CSR Registration number
1.	Facilitating COVID-19 relief efforts, providing essential medical equipment and infrastructure like mask, sanitizer etc.	Promotion of health care, including preventive health care and sanitation	Yes	Across identified states	Across identified districts	3 Years	Rs. 5,60,000/-	NIL	Rs. 5,60,000/-	Yes	N.A.	N.A.
2.	Installation of Inverter with Solar Batteries at PHC's in in 50 to 60 rural villages	Promotion of health care, including preventive health care and disaster management and sanitation	Yes	Across identified states	Across identified districts	3 Years	Rs. 15,27,000/- (Installation and other charges at actual)	Nil	Rs. 14,90,000/-	Yes	N.A.	N.A.
3.	Promotion and installation Rainwater harvesting (RWH) in villages having scarce rainfall	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and	Yes	Across identified states	Across identified districts	3 Years	Rs. 15,00,000/-	Nil	Rs. 15,00,000/-	No	Through Habitat for Humanity India Trust	N.A.

		maintaining quality of soil, air and water										
	TOTAL						**Rs. 35,87,000/-**	**NIL**	**Rs. 35,50,000/-**			

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name ofthe Project**	**Item from the list of activities inschedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent forthe project (in Rs.).**	**Mode of implementa tion - Direct (Yes/No).**	**Mode of implementation – Through implementing agency.**	
				State.	**District.**			**Name**	**CSR registration number**
1.	Joint CSR Interventions	Promote large number of livelihoods and inadequate availability of trained human resources.	Yes	Maharashtra	Kolhapur	Rs. 3,59,345/-	No	Institute of Livelihood Research and Training	N.A.
2.									
3.									
	TOTAL					**Rs. 3,59,345/-**			

(d) Amount spent in Administrative Overheads.
NIL

(e) Amount spent on Impact Assessment, if applicable
N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)
Rs. 3,59,345/-

(g) Excess amount for set off, if any

Sl. No.	**Particular**	**Amount (in Rs.)**
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 39,06,388/-

(ii)	Total amount spent for the Financial Year	Rs. 3,59,345/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

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

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

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

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

(asset-wise details).

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

N.A.

(b) Amount of CSR spent for creation or acquisition of capitalasset.

NIL

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

N.A.

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

N.A.

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

The Company has approved CSR expenditure of Rs. 39,06,388/- (i.e. two percent of the average net profit of the last three financial years) for the financial year 2020-21 and out of the same, it made CSR expenditure of Rs. 3,59,345/- in FY 2020-21.

Though the situation arising out of COVID pandemic started improving post June, 2020, the Company could not spend the balance unspent CSR amount in FY 2020-21 itself as things were not completely normalised.

However, the CSR Committee in March, 2021 identified few ongoing projects for CSR to be undertaken during the course of next three Financial Years and accordingly transferred Rs. 35,50,000/- (Rupees Thirty Five Lakhs Fifty Thousand only) to the Unspent CSR account of the Company.

FOR SVATANTRA MICROFIN PRIVATE LIMITED

Sd/-	**Sd/-**
ANANYASHREE BIRLA	**VINEET BIJENDRA CHATTREE**
(CHAIRPERSON – CSR COMMITTEE)	**(DIRECTOR)**
DIN: 06625036	**DIN: 07962531**

Date: 06.09.2021

Place: Mumbai

ANNEXURE D

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW

The year 2021 has commenced with both hope and fear – several parts of India have been under lock down and bracing against new waves of infections and speedily communicable mutation. At the same time, the approval of several vaccines has spurred vaccination drives in India. India joined the global economy in an unprecedented contraction in 2020-21, dragged down by the COVID-19 pandemic. The Monetary and credit conditions remained expansionary and financial market conditions eased considerably on the back of abundant liquidity. Public finances were impacted by a cyclical slowdown in revenues, while pandemic-induced fiscal measures pushed up expenditure.

The Indian economy recorded a negative growth rate of 24.4 percent and 7.3 percent in Q1 FY 2021 and Q2 FY 2021 due to lockdown measures. However, the lifting of lockdown measures brought the GDP growth into positive territory of 0.4 percent in Q3 FY2021, which again fell into a negative territory of 1.1 percent in Q4 FY2021 due to the reimposition of certain lockdown type restrictions in certain states. Hence, the overall growth is expected to be in negative territory by 8.0% in FY2021 compared to the growth rate of 4.2 percent in 2019-20.

The gross NPA ratio for NBFC improved to 5.7% in December, 2020 from 6.8% in March, 2020, through largely on account of relaxation in asset classification norms pursuant to the Supreme Court's decision on standstill. The CRAR of NBFCs also marginally improved to 24.8% from 23.7% during the said period.

The Reserve Bank of India (RBI) took several steps during the year to strengthen the regulatory framework for NBFCs. There has been a phased introduction of a liquidity risk management framework for NBFCs, including a Liquidity Coverage Ratio.

Certain regulatory measures were announced by RBI to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of viable businesses. The salient features included rescheduling of payments for term loans and working capital facilities, easing of working capital financing and exemption from classification of non-performing assets (NPA) on account of implementation of the above reliefs.

MICROFINANCE IN INDIA

Microfinance in India plays a major role in development of India. It is a proven vehicle towards financial inclusion. It aims at assisting communities of the economically excluded to achieve greater level of asset creation and income security at the household and community level. The concept of microfinance focuses on women also by granting them loans. It acts as a tool for the empowerment of poor women as women are becoming independent, they are able to contribute directly to the well beings of their families and are able to confront all the gender inequalities.

According to Microfinance Institutions Network (MFIN) Report as on 31st March 2021 based on data collected from 56 NBFC–MFI members, 3.13 Crore clients have loan outstanding from NBFC-MFIs, which is 0.9% lesser than clients as on 31st March, 2020. The aggregate GLP of MFIs is Rs. 81,475 Crore as on 31st March , 2021, including owned portfolio Rs. 68,894 Crore and Managed portfolio (off BS) of Rs. 12,581 Crore. The owned portfolio of MFIN members is about 85.5% of the MBFC-MFI universe portfolio of 80,549 Crore. On YoY basis GLP has increased by 11% as compared to 31st March, 2020 and by 9.7% in comparison to 31st December, 2020. Loan amount of Rs. 57,891 Crore was disbursed in FY 2020-21 through 1.70 Crore accounts, including disbursement of owned and managed portfolio. This is about 24.8% lesser than the disbursement made in FY 2019-20. Average loan amount disbursed per account during FY 2020-21 was Rs. 35,726/- which is an increase of around 20% in comparison to last FY.

As on 31st March, 2021, the borrowings outstanding were Rs. 64,078 Crore. Other Banks contributed 36.6% of borrowings outstanding followed by 24% from Non-Bank entities, 19.9% from Top 5 Banks, 14.8% form AIFIs, 2.9% from External Commercial Borrowings (ECB) and 1.7% from other source. During FY 2020-21, NBFC-MFI received a total of Rs. 40,797 Crore in debt funding, which is 9.2% higher than FY 2019-20. Other Banks contributed 42.5% of borrowings received during FY 2020-21 followed by 20.5% from top 5 Banks, 17.6% from Non-Bank entities and AIFIs, 1.1% from External Commercial Borrowings (ECB) and 0.6% from other sources.

Total equity of NBFC-MFI grew by 15% as compared to FY 2019-20 and is at Rs. 18,663 Crore as on 31st March, 2021. Portfolio at Risk (PAR) >30 days as on 31st March, 2021 has increased to 9.2% as compared to 2.4% as on 31st March 2020, due to the effect of pandemic. MFI now have presence in 27 States and 5 Union Territories. In terms of regional distribution of portfolio (GLP), East and North-East accounts for 33% of the total NBFC-MFI portfolio, South 28%, West 15%, North 13% & Central contributes 11%.

COMPANY OVERVIEW

Svatantra Microfin Private Limited is a registered NBFC–MFI promoted by Ms. Ananyashree Birla, a young entrepreneur, passionate about setting up a viable social enterprise to bring about a positive change in lives of the underprivileged. The Company focuses on reaching out to unbanked and providing financial services to women entrepreneurs – 100% of its clients comprise women living in rural areas. The Company's responsibilities extend beyond financial support to educating clients on financial literacy.

The Company has demonstrated the success and scalability of its business model by providing micro-credit to women borrowers across 17 states. The active customer base of the Company comprises of over 12 Lakhs women customers as on March 31, 2021. As per the financial as on March 31, 2021, the total revenue of the Company generated was Rs. 559.98 Crore with a Profit after tax (PAT) of Rs. 27.08 Crore (post considering additional provision of Rs. 25 Crore). The Company has been rated CRISIL A+ for its borrowings. The CRAR of the Company as per the financials as on March 31, 2021 was 21.88% against the minimum regulatory requirement of 15% for NBFC-MFI.

Till date the Company has disbursed more than Rs. 7,000 Crores to microfinance borrowers through JLG model. The Company's Gross Loan Portfolio as on March 31, 2021 is Rs. 3564.18 Crores with the network of 512 Branches in more than 246 districts across 17 States.

Svatantra has a strong pedigree of Promoters, Board Members & Management team who are involved in building a successful enterprise. Till 31st March, 2021, the Promoters of the Company have invested capital amounting to Rs. 507.04 Crores and the Net-worth of the Company as on March 31, 2021 is Rs. 571.97 Crore.

OPERATIONAL PERFORMANCE

The Company registered a stellar performance in 2020-21. From an operational perspective, the Company has taken important strides which promise to make its profitable growth sustainable.

The Company extended its footprint across 3 new states, thereby establishing its presence in 17 Indian states. It has increased its branch network from 449 branches to 512 branches as on March 31, 2021 by adding 63 new branches in the FY 2020-21 which has helped in strengthening its active customer base to 12,73,088 as on March 31, 2021.

The gross loan portfolio of the Company stood at Rs. 3,564.18 Crores as on March 31, 2021.

FINANCIAL PERFORMANCE

(Rs. in Lakhs)

PARTICULARS	***31st March, 2021 (As per IND-AS)***	***31st March, 2020 (As per IND-AS)***
Income		
Revenue from operations	55,684.85	39,084.91
Other Income	313.68	83.42
Less: Total Expenditure	52,314.10	35,217.62
Profit / Loss Before Tax	**3,684.43**	**3950.71**
Less: Current Tax	2874	1295.20
Less: Deferred tax income/Expenses	(1897.69)	(217.47)
Profit/Loss After Tax (A)	**2708.12***	**2872.98**
Other Comprehensive Income, Net of Tax		
Item that will not be reclassified to the statement of Profit and Loss	(12.02)	62.13
Income tax Expense on above	3.03	(15.64)
Other Comprehensive Income (B)	**(8.99)**	**46.49**
Total Comprehensive Income (A) + (B)	**2699.13**	**2919.47**

***Post considering additional provision of Rs. 25 Crore.**

OUTLOOK FOR 2021-22

India's Microfinance Institutions (MFIs) face renewed asset quality and liquidity risks as a second wave of coronavirus infections sweeps the country. A resurgence in asset-quality pressure for MFIs could lead to renewed funding strains for the sector, particularly as many government schemes that provided funding relief to NBFCs in 2020 have expired. The microfinance and other wholesale borrowers remain at greater risk of stress in this environment.

The impact of the COVID-19 outbreak seems to be more on urban borrowers as compared to rural borrowers. However, since the Company is a rural based MFI, it does not foresee great impact in the future arising out of COVID-19 outbreak.

RISK AND CONCERNS

The Company is exposed to various risks such as pandemic risk, credit risk, economic risk, interest rate risk, liquidity risk, and cash management risk, technology risks, etc. The Company has a risk management framework that involves risk identification, risk assessment, and risk mitigation planning.

The Board of Directors has constituted a Risk Management Committee. The terms of reference of the Risk Management Committee include a periodical review of the risk management policy, risk management plan, implementing and monitoring the risk management plan, and mitigation of the key risks. The Risk owners are accountable to the Risk Committee for identifying, assessing, aggregating, reporting, and monitoring the risk related to their respective areas/functions. The Company has taken Directors and Officers insurance policy cover to mitigate legal risks to Directors and senior management.

The Company has put in adequate checks by complying with the regulations framed by RBI which are applicable to the Company. It also has an effective risk management department which is bound to work in an effective manner in order to mitigate risks.

The Company is regulated by Reserve Bank of India which has stipulated certain regulations to be followed by each and every NBFC-MFI.

INTERNAL CONTROL AND ITS ADEQUACY

The Company believe that strong internal control system and process play a crucial role in the health of the Company. The Company's well-defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrades these processes and systems in line with the best available practices. The internal control system is supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines which ensure reliability of financial and all other records. The Internal Audit reports are periodically reviewed by the Audit Committee.

At Svatantra, the internal control procedures include internal financial controls, ensuring compliance with various policies, practices and statutes considering the organization's growth and complexity of operations. The framework constantly monitors and assesses all aspects of risks associated with current activities and corporate profile, including scientific and development risks, partner interest risks, commercial and financial risks.

HUMAN RESOURCE

The pandemic has brought impactful changes in all our lives highlighting importance of social distancing, wearing of masks, use of sanitizers, maintaining cleanliness to mitigate spread of Corona virus and developing habits of living with the Corona virus, the longevity of which is not yet known. The Company continued to create awareness amongst employees to strictly follow the Social Distancing protocol and mitigate the health risks during the pandemic by adapting to new methods of efficient working, striking work-life balance, switching to Work from Home (WFH) whenever necessary. The 'Lockdown' gave many new learnings, ideas and experience with respect to effective communication techniques, efficient time management, thereby improving overall efficiency, cost optimization.

There has been a significant increase in the number of branches of the Company during the year which was resulted in increase in the number of employees as on March 31, 2021 to 4613 as compared to 3927 in the previous year.

FOR SVATANTRA MICROFIN PRIVATE LIMITED

Sd/-
ANANYASHREE BIRLA
(CHAIRPERSON)
DIN: 06625036

Date: 06.09.2021
Place: Mumbai

ANNEXURE E

DETAILS OF MANAGERIAL REMUNERATION AS PER COMPANIES ACT, 2013 FOR THE FY 2020-21

1. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21.

Not Applicable

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year 2020-21:

Chief Executive Officer – NIL
Chief Financial Officer – NIL
Company Secretary – NIL

3. The percentage increase in the median remuneration of employee(s) in the financial year 2020-21: 2.3%

4. The number of permanent employees on the role of the Company as on 31st March, 2021: 4613

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in the salaries of employees was 2.8% and the average increase in the managerial remuneration (CEO, CFO & CS) was 0%

6. Affirmation that the remuneration is as per the remuneration policy of the Company. Yes

7. The detail of top ten employees in terms of remuneration drawn is as follows:

Employee Name	Designation	Qualification	Remuneration Received (CTC Per Annum)	Nature of employment	Date of Commencement of Employment	Age	Experience (In Years)	Last Employment details	Whether relative of any Director/ Manager
Anujeet Varadkar	Chief Executive Officer	Post Graduate	53,42,082/-	Full Time	01-Apr-14	42 Yrs	17 Yrs	Mahindra & Mahindra Ltd.	No
Vrushali Vishal Mahajan	President - Finance and Accounts	Post Graduate	46,10,449/-	Full Time	09-Mar-15	43 Yrs	20 Yrs	Ratnakar Bank Ltd.	No
Kranti Pravin Singh Sety	Senior Vice President - Human Resources	Post Graduate	39,19,131/-	Full Time	16-May-16	40 Yrs	19 Yrs	Suryoday Micro Finance Pvt Ltd	No
Vikas Laxman Kalibaug	Vice President - Risk	CA	32,00,011/-	Full Time	07-Oct-19	41 Yrs	16 Yrs	Aditya Birla Management Corporation Pvt Ltd	No
Tarannum Pachigar	Vice President - Learning and Development	Post Graduate	29,00,004/-	Full Time	02-Nov-20	38 Yrs	15 Yrs	Edelweiss Tokio	No

Surinder Kumar Bhatia	Senior Vice President - Company Secretary	Post Graduate	28,12,750/-	Full Time	16-Mar-15	45 Yrs	17 Yrs	SV Creditline Pvt Ltd	No
Pranay Kumar Singh	Vice President - Information Technology	Graduate	27,07,600/-	Full Time	01-Sep-16	47 Yrs	23 Yrs	Infrasoft Ltd	No
Umang Shah	Deputy Vice President - Information Technology	Post Graduate	25,00,164/-	Full Time	16-Feb-16	34 Yrs	9 Yrs	Aditya Birla Management Corporation Pvt Ltd	No
Shashikant Atmaram Solaskar	Deputy Vice President - Information Security	Post Graduate	23,86,997/-	Full Time	03-Oct-18	39 Yrs	16 Yrs	Aditya Birla Management Corporation Pvt Ltd	No
Rahul Banmali Mishra	Assistant Vice President - Internal Audit	Post Graduate	23,40,007/-	Full Time	02-Apr-18	33 Yrs	9 Yrs	Aditya Birla Management Corporation Pvt Ltd	No

8. Name of every employee of the company who –

a. If employed throughout the financial year, was in receipt of remuneration for FY 2020-21, in the aggregate, was not less than one crore and two lakh rupees. - **N.A.**
b. If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month – **N.A.**
c. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: **N.A.**

FOR SVATANTRA MICROFIN PRIVATE LIMITED

Sd/-

ANANYASHREE BIRLA

(CHAIRPERSON)

DIN: 06625036

Date: 06.09.2021

Place: Mumbai

INDEPENDENT AUDITORS' REPORT

To,
The Members of
SVATANTRA MICROFIN PRIVATE LIMITED

Report on the audit of the Ind AS Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015 as amended ("Ind AS") and other the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, the profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

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

Emphasis of Matter

We draw attention to Note 36 of the Ind AS financial statements which describe the management's assessment of the impact of the COVID-19 pandemic on the Ind AS financial statements of the Company and estimates related to impairment of assets, which are dependent on future developments regarding the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Transition to Indian Accounting Standards ("Ind AS")** The Company has adopted Ind AS notified under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, from 01 April 2020 and the effective date of such transition is 01 April 2019. Ind AS is new and complex accounting standards which require considerable judgment and interpretation in its implementation. Further, Ind AS 101 ("First-time Adoption of Indian Accounting Standards") allows two categories of exceptions to the first-time adopters which mainly include prohibition to retrospective application of certain requirements of Ind AS and exemption from some requirements of Ind AS. We consider this transition and the required disclosure to be a key audit matter because new accounting policies have been developed by the Company to comply with these standards and judgment. Note 2 "Significant Accounting Policies", Note 40 First-time adoption of Ind AS, Note 34 "Fair value hierarchy" and Note 35 "Risk management" to the Ind AS financial statements provide detailed information on the significant policies, critical judgment and estimation along with details of exemptions applied from certain requirements under Ind AS based on which these Ind AS financial statements are prepared. Accordingly, it was determined to be a key audit matter in our audit of the Ind AS financial statements.	**Principal Audit Procedures** We have performed the following audit procedures to obtain sufficient audit evidence: - Assessed the Company's process to identify the impact of adoption and transition to the new accounting standards. - Evaluated the design of internal controls and tested the operating effectiveness of key internal controls around the process of preparation of Ind AS financial statements. - Reviewed the exemptions availed by the Company from certain requirements under Ind AS. - Obtained an understanding of the governance over the determination of key judgments. - Evaluated and tested the key assumptions and judgments adopted by management. - Assessed the disclosures made against the relevant Ind AS; and - Determined the appropriateness of the methodologies and models used along with the responsibility of the outputs.
2	**Impairment of loans**	
	Recognition and measurement of impairment of loans and advances involve significant management judgement. Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss (ECL) estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are:. - Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and	**Principal Audit Procedures** Our key audit procedures included: - Evaluation of the appropriateness of the impairment principles used by management based on the requirements of Ind AS 109, our business understanding and industry practice. - Understanding management's revised processes, systems and controls implemented in relation to impairment allowance process, particularly in view of COVID-19 regulatory package.

	accuracy of the data that has been used to create assumptions in the model. - Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default (“PD”), Loss Given Default (“LGD”), and Exposures at Default (“EAD”). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company’s modelling approach. - Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment arising from COVID-19. - Restructuring - the Company has restructured loans in the current year on account of COVID-19 related regulatory measures. This has resulted in increased management estimation over determination of provision for such restructured loans. The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the Ind AS financial statements as a whole, and possibly many times that amount. Disclosures The disclosures (including disclosures prescribed by RBI) regarding the Company’s application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results. Refer Note 2 (k), Note 2 (q)(ii), Note 5, Note 6, Note 35 (c), Note 36, Note 62 and Note 65 to the Ind AS financial statements.	- Evaluating management’s controls over collation of relevant information used for determining estimates for management overlays on account of COVID-19. - Assessing the design and implementation of key internal financial controls over loan impairment process used to calculate the impairment charge. - Using our modelling specialist to test the model methodology and reasonableness of assumptions used, including management overlays. - Testing of review controls over measurement of impairment allowances and disclosures in Ind AS financial statements. - Assessing the appropriateness of management rationale for determination of criteria for SICR considering both: adverse effects of COVID 19 and mitigants in the form of the RBI / Government financial relief package. - Assessing the appropriateness of changes made in macro economic factors and management overlays to calibrate the risks that are not yet fully captured by the existing model. - Corroborate through independent check and enquiries the reasonableness of management’s assessment of grading of severity of impact of COVID-19 on segments of its loan portfolio and the resultant impairment provision computed. - Focus on appropriate application of accounting principles, validating completeness and accuracy of the data and reasonableness of assumptions used in the model. - Test of details over of calculation of impairment allowance for assessing the completeness, accuracy and relevance of data. - Model calculations testing through re-performance where possible. - The appropriateness of management’s judgments was also independently reconsidered in respect of calculation methodologies, segmentation, economic factors, the period of historical loss rates used and the valuation of recovery assets.

		- Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Ind AS financial statements are appropriate and sufficient
3	**IT systems and controls**	
	Financial accounting and reporting processes, especially in the financial services sector, are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, hence we identified IT systems and controls over financial reporting as a key audit matter for the Company. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure reliable financial reporting.	**Principal Audit Procedures** Our key audit procedures included: - We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. - We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing requests for access to systems were reviewed and authorized. - We tested the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorisation. - In addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting.

Information Other than the Ind AS 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 Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the Ind AS financial statements and our auditor's report thereon.

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

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

Management's Responsibility for the Financial Statements

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

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Other Matter

The comparative financial information of the Company for the year ended 31 March 2020 and the transition date opening balance sheet as at 01 April 2019 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Accounting Standards Specified under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India audited by us in our report for the year ended 31 March 2020 and 31 March 2019 dated 25 June 2020 and 27 June 2019, respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the 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 purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and statement of cash flows dealt with by this Report are in agreement with the books of account;

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

   e) On the basis of the written representations received from the directors as on 31 March 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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"', Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting;

   g) 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, according to the information and explanations given to us, the Company has paid and provided managerial remuneration during the year. As the Company is private company, provisions of Section 197 read with Schedule V of the Act is not applicable;

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

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

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm's Reg. No. 121750W/W-100010

S/d-
Ramesh Gupta
Partner
Membership No.: 102306
UDIN:21102306AAACW1434
Place: Mumbai
Date: 29 June 2021

ANNEXURE-“A” TO INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date)

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

(b) According to information and explanations given to us, the fixed assets have been physically verified by the management according to the regular programme of periodical verification in a phased manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.

(c) According to information and explanations given by the management, there are no immovable properties of the Company and accordingly, the requirements under Clause 3 (i)(c) of the Order are not applicable to the Company.

(ii) Considering the nature of business, the Company does not have any inventory. In view of this, paragraph 3 (ii) of the Order are not applicable to the Company.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability ppartnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the Paragraph 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) According to information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of provisions of Section 185 and 186 of the Act and accordingly, the requirements under Paragraph 3 (iv) of the Order are not applicable to the Company.

(v) The Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and any other relevant provisions of the Act and the rules framed there under apply.

(vi) In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Act are not applicable to the Company for the year under audit.

(vii) a) According to the information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, goods and service tax, cess, and any other statutory dues with the appropriate authorities. There are no undisputed amount payable in respect of provident fund, employee state insurance, income tax, service tax, goods and service tax, cess, and any other statutory dues in arrears of outstanding statutory dues as at 31 March 2021 for a period of more than six months from the date they became payable. As informed, statutory dues in the nature of sales tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

b) According to information and explanations given to us, there are no dues on account of income tax, goods and service tax and cess which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to the banks and financial institutions or dues to debenture holders. The Company does not have any loans from government.

(ix) According to the information and explanations given to us, the term loans and non-convertible debentures have been applied for the purposes for which they were raised, though idle funds which were not required for immediate utilization have been invested in liquid investments, payable on demand. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

(x) During the course of our examination of the books of account and records of the Company, carried out in accordance with generally accepted auditing practice in India and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year except for instances of cash embezzlements by certain employees of the Companies and others aggregating to an amount of Rs. 16.19 Lakhs and out of which, an amount of Rs.10.62 Lakhs has been recovered.

(xi) As the Company is Private Limited Company, provisions of Section 197 read with Schedule V of the Act are not applicable to the Company.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year as referred to in section 192 of the Act. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act 1934, and the registration certificate has been obtained.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm's Reg. No: 121750W/W-100010

S/d-
Ramesh Gupta
PARTNER
Membership No.102306
UDIN: 21102306AAAACW1434
Place: Mumbai
Date: 29 June 2021

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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 Svatantra Microfin Private Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS 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 further periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, 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 Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg. No.: 121750W/W-100010

S/d-
Ramesh Gupta
PARTNER
Membership No. 102306
UDIN:21102306AAAACW1434
Place: Mumbai
Date: 29 June 2021

Auditors' Additional Report

To
The Board of Directors
Svatantra Microfin Private Limited
20th Floor, Sunshine Towers,
Senapati Bapat Marg,
Elphinston Road, Mumbai- 400013

Report on the Financial Statements

We report that the statutory audit of Svatantra Microfin Private Limited ("the Company") was conducted by us in pursuance of the provisions of the Companies Act, 2013 and we have annexed hereto a copy of our Audit Report dated **29 June 2021** along with a copy of each of the audited balance sheet as at 31 March 2021, statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows of the Company for the year ended on 31 March 2021 along with the documents declared by the relevant Act to be part of, or annexed to, the statement of profit and loss and the balance sheet.

In addition to the said report made under Section 143 of the Companies Act, 2013 ('the Act') on the financial statements of the Company for the year ended 31 March 2021 and as required by Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 ('The Directions'), issued by the Reserve Bank of India ('RBI') vide notification No. DNBS PPD.03/66.15.001/2016-17/ dated 29 September 2016 pursuant to the powers conferred in terms of Sub-Section (1A) of Section 45MA of the Reserve Bank of India Act, 1934, we report on the matters specified in paragraphs 3 and 4 of the said Directions, to the extent applicable, as follows:

Management's Responsibility for the financial statements

The Company's management is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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.

The Company's management is responsible for ensuring that the Company complies with the requirements of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (the 'Master Directions'). This responsibility includes the design, implementation and maintenance of internal control relevant to the compliance with the Master Directions.

Auditor's Responsibility

Pursuant to the requirements of the Directions, it is our responsibility to examine the books of account and records of the Company and report on the matters specified in the Directions, to the extent applicable to the Company.

We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.'

Conclusion

Based on our examination of the financial statements as at and for the year ended 31 March 2021, books of account and records of the Company as produced for our examination and according to the information and explanations given to us, we further report that:

1. **Para 3(A)**

   I. The Company is engaged in the business of Non-Banking Financial Company as defined under clause (i) of Section 45-I(c) of the Reserve Bank of India Act, 1934. The Company has obtained a Certificate of Registration numbered N-13.02038 from Mumbai R.O. of the Reserve Bank of India (RBI) dated 05 February 2013 for registration as a "Non-Banking Financial Company – Micro Finance Institution (NBFC-MFI)" as provided in sub-section (1) of Section 45-IA of the Reserve Bank of India Act, 1934.

   II. On the basis of the financial statements for the year ended 31 March 2021 audited by us and as per Paragraph 5 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, we hereby report that the Company is entitled to continue to hold such Certificate of Registration in terms of its financial asset /income pattern as on 31 March 2021.

   III. Based on the net owned fund requirement as laid down in Paragraph 5 of Master Direction - Non Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Company is meeting the required net owned fund requirement.

2. **Para 3(B)**

   As indicated in Clause 1 above, since the Company has Certificate of Registration as “Non-Banking Financial Company Not Accepting Public Deposits”, the matters referred to in Para 3(B) of the Directions are not applicable to the Company.

3. **Para 3(C)**

   I. The Board of Directors has passed a resolution in the meeting of Board of Directors held on 3 April 2020 for the non-acceptance of any public deposits.

   II. The Company has not accepted any Public Deposit during the year.

   III. The Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, in the preparation of financial statements for the year ended 31 March 2021.

   IV. The Company being a Systemically Important Non- Deposit taking NBFC as defined in Paragraph 3 (xxxi) of the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

   a) The Capital adequacy ratio as disclosed in the return submitted to the RBI in form DNBS-03 has been correctly arrived at and such ratio is in compliance with the minimum capital to risk asset ratio (‘CRAR’) prescribed by RBI; and

   b) Presently, there is no requirement of furnishing the annual statement of capital funds, risk assets/exposures and risk assets ratio (DNBS-03) to RBI. The Company has furnished to the RBI, the statement of capital funds, risk assets/ exposures and risk asset ratio (DNBS-03) within the stipulated period.

   V. Based on the criteria set forth by the RBI in Paragraph 3(xx) of the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Company has been correctly classified as NBFC-MFI as defined in the said Directions with reference to the business carried on by it during the year ended 31 March 2021.

4. **Para 3(D)**

   Since as per RBI, the Company is required to hold Certificate of Registration, the matters referred to in Para 3(D) of the Directions are not applicable to the Company.

Restrictions of use

We have no responsibility to update this Report for events and circumstances occurring after the date of this report.

This report is issued pursuant to our obligations under Non-banking Financial Companies Auditors' report (Reserve Bank) Directions, 2016 to submit a report on additional matters as stated in the Directions to the RBI. Our report should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm's Reg. No: 121750W / W-100010

s/d-
Ramesh Gupta
PARTNER
Membership No.: 102306
UDIN: 21102306AAAACW1434
Mumbai,

Dated:29 June 2021

Svatantra Microfin Private Limited
Balance Sheet as at 31 March 2021

Amount Rs. in lakhs

Particulars	**Notes**	**As at 31-March-2021**	**As at 31-March-2020**	**As at 1-April-2019**
ASSETS				
(1) Financial assets				
(a) Cash and cash equivalents	**3**	63,462.55	42,041.30	10,579.56
(b) Bank balances other than cash and cash equivalents	**3**	3,533.21	823.87	1.27
(c) Other receivables	**4**	608.66	906.20	386.34
(d) Loans	**5**	2,94,751.97	2,07,033.65	1,15,502.55
(e) Other financial assets	**6**	7,641.22	7,354.37	859.99
Total financial assets		**3,69,997.61**	**2,58,159.39**	**1,27,329.71**
(2) Non-financial assets				
(a) Current tax assets (net)		-	249.23	116.46
(b) Deferred tax assets (net)	**7**	2,832.86	932.13	730.29
(c) Property, plant and equipment	**8**	917.76	821.38	507.37
(d) Other Intangibles assets	**10**	182.22	194.35	182.03
(e) Right of use asset	**9**	112.74	225.52	338.61
(f) Intangible assets under development	**11**	-	41.01	67.42
(g) Other non financial assets	**12**	718.26	675.86	442.79
Total non-financial assets		**4,763.84**	**3,139.48**	**2,384.97**
TOTAL ASSETS		**3,74,761.45**	**2,61,298.87**	**1,29,714.68**
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial liabilities				
(a) Payables	**13**			
(I) Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		1,610.29	365.17	362.42
(II) Other payables				
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		-	-	8.64
(b) Debt securities	**14**	45,664.95	8,764.85	7,267.49
(c) Borrowings (other than debt securities)	**15**	2,60,831.33	2,11,888.15	1,01,663.05
(d) Other financial liabilities	**16**	8,318.22	6,063.83	2,491.39
Total financial liabilities		**3,16,424.79**	**2,27,082.00**	**1,11,792.99**
(2) Non-financial liabilities				
(a) Provisions	**17**	736.00	383.63	164.41
(b) Other non-financial liabilities	**18**	367.68	224.61	206.54
(c) Current tax liabilities (net)		35.73	-	-
Total non-financial liabilities		**1,139.41**	**608.24**	**370.95**
TOTAL LIABILITIES		**3,17,564.20**	**2,27,690.24**	**1,12,163.94**
EQUITY				
(a) Equity share capital	**19**	25,204.69	25,204.69	17,204.69
(b) Instruments entirely equity in nature	**19**	25,500.00	-	-
(c) Other equity	**19**	6,492.56	8,403.94	346.05
TOTAL EQUITY		**57,197.25**	**33,608.63**	**17,550.74**
TOTAL LIABILITIES AND EQUITY		**3,74,761.45**	**2,61,298.87**	**1,29,714.68**

Summary of significant accounting policies **2**
The accompanying notes are an integral part of financial statements

As per our report of even date attached
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg. No.: 121750W / W-100010

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Sd/-

Ramesh Gupta
Partner
Membership No. 102306
Place : Mumbai
Date : 29 June 2021

Sd/-

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 June 2021

Sd/-

Vineet Bijendra Chattree
Director
DIN No. 07962531
Place : Mumbai
Date : 29 June 2021

Sd/-

Anujeet Varadkar
Chief Executive Officer
Place : Mumbai
Date : 29 June 2021

Sd/-

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 June 2021

Sd/-

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 June 2021

Svatantra Microfin Private Limited
Statement of profit and loss for the year ended 31 March 2021

Amount Rs. in lakhs

Particulars	Notes	For the year ended 31-March-2021	For the year ended 31-March-2020
Revenue from operations			
Interest income	**20**	45,811.62	29,463.72
Fees and commission income	**21**	1,025.62	1,408.78
Net gain on fair value changes	**22**	242.07	518.26
Net gain on derecognition of financial instruments under amortized cost category	**34.4**	8,605.54	7,694.15
Total Revenue from operations		**55,684.85**	**39,084.91**
Other income	**23**	313.68	83.42
Total income		**55,998.53**	**39,168.33**
EXPENSES			
Finance costs	**24**	27,745.10	16,155.71
Impairment on financial instruments	**25**	7,876.12	5,176.33
Employee benefits expenses	**26**	11,903.95	9,576.44
Depreciation and amortization	**27**	573.46	555.79
Other expenses	**28**	4,215.47	3,753.35
Total expenses		**52,314.10**	**35,217.62**
Profit/(loss) before exceptional items and tax		**3,684.43**	**3,950.71**
Exceptional items		-	-
Profit / (loss) before tax		**3,684.43**	**3,950.71**
Tax expense:			
Current tax		2,874.00	1,295.20
Deferred tax credit		(1,897.69)	(217.47)
Profit/ (loss) for the year after tax [A]		**2,708.12**	**2,872.98**
Other comprehensive income, net of tax			
Item that will not to be reclassified to the statement of profit and loss		(12.02)	62.13
Less: Income tax expense on above		3.03	(15.64)
Other comprehensive income for the year [B]		**(8.99)**	**46.49**
Total comprehensive Income for the year [A+B]		**2,699.13**	**2,919.47**
Earnings per equity share (Rs.)			
Basic	**31**	0.79	1.23
Diluted		0.79	1.23
Nominal value per share		10.00	10.00

Summary of significant accounting policies **2**

The accompanying notes are an integral part of financial statements

As per our report of even date attached
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg. No.: 121750W / W-100010

Sd/-

Ramesh Gupta
Partner
Membership No. 102306
Place : Mumbai
Date : 29 June 2021

For and on behalf of the Board of Directors of
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Director
DIN No. 06625036
Place : Mumbai
Date : 29 June 2021

Sd/-

Vineet Bijendra Chattree
Director
DIN No. 07962531
Place : Mumbai
Date : 29 June 2021

Sd/-

Anujeet Varadkar
Chief Executive Officer
Place : Mumbai
Date : 29 June 2021

Sd/-

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 June 2021

Sd/-

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 June 2021

Svatantra Microfin Private Limited
Statement of Cash Flows for the year ended 31 March 2021

Amount Rs. in lakhs

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
Profit /(loss) before tax	3,684.43	3,950.71
Cash flow from operating activities		
Adjustment for:		
Transaction costs on borrowings	(630.88)	(389.98)
Gain on sale of mutual fund units held as current investments	(242.07)	(518.26)
Depreciation and amortisation	573.46	555.79
Loss on sale of property, plant and equipment	0.14	1.27
Transaction cost on loan processing charges	151.96	1,023.25
Unwinding interest cost on compulsorily convertible preference shares	417.03	25.21
Interest on fixed deposits	(843.74)	(48.98)
Finance cost on lease liabilities	19.92	31.29
Impairment on financial instruments	7,876.12	5,176.33
Movement in working capital:		
- (Increase) / decrease in loans and advances	(95,746.40)	(97,730.68)
- (Increase) / decrease in other receivables	297.54	(519.86)
- (Increase) / decrease in other financial assets	(286.85)	(6,494.38)
- (Increase) / decrease in other non financial assets	(27.61)	(194.83)
- Increase / (decrease) in trade payables	1,245.15	(5.89)
- (Increase) / decrease in other financial Liabilities	2,412.09	3,749.57
- (Increase) / decrease in other non financial Liabilities	143.07	18.07
- Increase / (decrease) in provisions	352.37	219.22
Cash generated from/(used in) operations	**(80,604.27)**	**(91,152.15)**
Income tax paid (net)	(2,592.10)	(1,412.33)
Cash generated from/(used in) operations [A]	**(83,196.37)**	**(92,564.48)**
Cash flow from/(used in) investing activities		
Purchase of property, plant and equipment, intangibles including intangibles underdevelopment	(509.85)	(744.29)
Proceeds from sale of property, plant and equipment and intangibles	5.79	0.40
Capital advance given	(14.79)	(38.24)
Purchase of mutual funds	(2,21,088.95)	(2,59,225.00)
Proceeds of sale of mutual funds	2,21,331.02	2,59,743.26
Interest received on fixed deposits	767.68	28.88
Maturity /(investments) of /in fixed deposits	(2,633.28)	(802.50)
Cash generated from/(used in) investing activities [B]	**(2,142.38)**	**(1,037.49)**

Svatantra Microfin Private Limited
Statement of Cash Flows for the year ended 31 March 2021

Cash flow from/(used in) financing activities		
Proceeds from issuance of equity shares	-	8,000.00
Proceeds from issuance of compulsorily convertible preference shares	17,500.00	8,000.00
Proceeds from borrowings from banks, financial institutions and others	2,36,387.95	1,77,607.80
Repayment of borrowings from banks, financial institutions and others	(1,46,996.50)	(68,412.64)
Interest paid on lease liabilities	(19.92)	(31.29)
Repayment of lease liabilities	(111.53)	(100.16)
Cash generated from/(used in) financing activities [C]	**1,06,760.00**	**1,25,063.71**
Net increase/(decrease) in cash and cash equivalents [A+B+C]	**21,421.25**	**31,461.75**
Add: Cash and cash equivalents at the beginning of the year	42,041.30	10,579.56
Cash and cash equivalents at the end of the year	63,462.55	42,041.30
Changes in liabilities arising from financing activities		
Opening balance (Borrowings + debt securities)	2,20,653.00	1,08,930.54
Proceeds from long-term and other borrowings	1,97,387.95	1,76,107.80
Proceeds from debt securities	38,000.00	1,500.00
Repayments of long-term and other borrowings	(1,45,996.50)	(68,412.63)
Transaction costs on borrowings	(630.90)	(389.98)
Debt component of compulsorily convertible preference shares	(2,917.27)	2,917.27
Closing balance (Borrowings + debt securities)	3,06,496.28	2,20,653.00

Notes:
1. All figures in bracket are outflow.
2. The cash flow statement has been prepared under Indirect Method as per Ind AS 7 "Statement of Cash Flows".
3. Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

Significant accounting policies **2**
The accompanying notes are an integral part of financial statements

As per our report of even date attached
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg. No.: 121750W / W-100010

Sd/-

Ramesh Gupta
Partner
Membership No. 102306
Place : Mumbai
Date : 29 June 2021

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Sd/-
Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 June 2021

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DIN No. 07962531
Place : Mumbai
Date : 29 June 2021

Sd/-
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Chief Executive Officer
Place : Mumbai
Date : 29 June 2021

Sd/-
Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 June 2021

Sd/-
Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 June 2021

Svatantra Microfin Private Limited
Statement of Changes in Equity for the year ended 31 March 2021

A. Equity share capital **Amount Rs. in lakhs**

Particulars	Number of shares	Amount
Balance as at 1 April 2019	17,20,46,875	17,204.69
Addition during the year	8,00,00,000	8,000.00
Balance as at 31 March 2020	**25,20,46,875**	**25,204.69**
Addition during the year	-	-
Balance as at 31 March 2021	**25,20,46,875**	**25,204.69**

B. Instruments entirely equity in nature **Amount Rs. in lakhs**

Compulsorily convertible non-cumulative preference shares ("CCPS")

Particulars	Number of shares	Amount
Balance as at 1 April 2019	-	-
Addition during the year	-	-
Balance as at 31 March 2020	**-**	**-**
Addition during the year	2,55,00,000	25,500.00
Balance as at 31 March 2021	**2,55,00,000**	**25,500.00**

C. Other equity **Amount Rs. in lakhs**

Particulars	Reserves and surplus							Total
	Securities premium	Capital reserve	Statutory reserves	Impairment reserve	Equity component of CCPS	Employee stock option plan reserve	Retained earnings	
Balance at 1 April 2019	4.00	-	377.36	235.10	-	18.75	(289.16)	**346.05**
Profit for the year	-	-	-	-	-	-	2,872.98	**2,872.98**
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	46.49	**46.49**
Transfer to statutory reserve	-	-	726.50	-	-	-	(726.50)	**-**
Fair value of stock option for the year	-	-	-	-	-	30.48	-	**30.48**
Equity component of compulsorily convertible non-cumulative preference shares	-	-	-	-	5,107.94	-	-	**5,107.94**
Balance at 31 March 2020	**4.00**	**-**	**1,103.86**	**235.10**	**5,107.94**	**49.23**	**1,903.81**	**8,403.94**
Profit for the year	-	-	-	-	-	-	2,708.12	**2,708.12**
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	(8.99)	**(8.99)**
Transfer to statutory reserve	-	-	539.83	-	-	-	(539.83)	**-**
Fair value of stock option for the year	-	-	-	-	-	55.15	-	**55.15**
Derecognition of compulsorily convertible non-cumulative preference shares	-	442.24	-	-	(5,107.94)	-	-	**(4,665.70)**
Balance at 31 March 2021	**4.00**	**442.24**	**1,643.68**	**235.10**	**-**	**104.38**	**4,063.12**	**6,492.56**

Significant accounting policies **2**
The accompanying notes are an integral part of financial statements

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Partner
Membership No. 102306
Place : Mumbai
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Chief Financial Officer
Place : Mumbai
Date : 29 June 2021

Sd/-

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 June 2021

Company Information
Svatantra Microfin Private Limited ('the Company" or "SMPL") is a private limited company incorporated in India on 17 February 2012 under the Companies Act, 1956 having its registered office at 20th Floor, Sunshine Towers, Senapati Bapat Marg, Elphinstone Road (W), Mumbai - 400 013, Maharashtra. The Company is registered with Reserve Bank of India (RBI) as a "Non Banking Financial Company- Micro Finance Institution".

1 Basis of accounting and preparation of financial statements
The financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and other relevant provisions of the Act. Any application guidance/clarifications/ directions issued by Reserve bank of India and other regulators are implemented as and when they are issued/ applicable.

The financial statements up to and for the year ended March 31, 2020 were prepared in accordance with the accounting standard notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) and other applicable guidelines issued by the RBI. The financial statements for the year ended March 31, 2021 are the first financial statements which has been prepared in accordance with Ind AS and other applicable guidelines issued by the Reserve Bank of India ('RBI') wherever applicable. As these are the Company's first financial statements prepared in accordance with Ind AS, the Company has applied, First-time Adoption Standard (Ind AS 101) 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 40.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The Company consistently applies the following accounting policies to all periods presented in these financial statements, unless otherwise stated.

The financial statements for the year ended 31 March 2021 were authorised and approved for issue by the Board of Directors on 29 June 2021.

2 Significant accounting policies

a. Functional and presentation currency
These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency. All amounts are rounded-off to the nearest lakhs and decimals thereof, unless otherwise indicated.

b. Measurement of fair values

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

In the principal market for the asset or liability, or
In the absence of a principal market, in the most advantageous market for the asset or liability
The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

c. Revenue recognition

Interest Income

Interest income from financial assets (assets on finance) is recognised on accrual basis using Effective Interest Rate ('EIR') method. The EIR is the rate that discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset adjusted for upfront expenses and incomes attributable to the acquisition of the financial asset. The interest income is recognized on EIR method on a time proportion basis applied on the carrying amount for financial assets including credit impaired financial assets.

Net gain on Fair value changes

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

Similarly, any realised gain or loss on sale of financial instruments measured at Fair value through profit and loss ("FVTPL") and debt instruments measured at Fair value through Other Comprehensive Income ("FVOCI") is recognised in net gain\loss on fair value changes.

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

Commission income

Commission fee income is recognized on accrual basis when the service is rendered.

Income from direct assignment and securitization

Interest Income on securitized loans are considered at par with own loans and is also recognised under the Effective Interest Rate method. In case of Direct Assignment, Company recognize the income upfront on the basis of fair value by discounting the entire interest strip (excess interest spread) of assigned portfolio.

Interest income on deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

All other income is recognized on an accrual basis, when there is reasonable certainty in the ultimate realization / collection.

d. Financial instruments

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

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets
Subsequent measurement

i. Financial assets carried at amortised cost
a Financial asset is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

ii. Investments in equity instruments

Investments in equity instruments which are held for trading are classified at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to Statement of Profit and Loss. However, the Company transfers the cumulative gain or loss within equity.
Dividends on such investments are recognised in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. Investments in mutual funds
Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:
• The rights to receive cash flows from the asset have expired, or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.
When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. The Company continues to recognise the assets on finance on books which has been securitized under pass through arrangement and does not meet the de-recognition criteria.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognised) and the sum of the consideration received (including the value of any new asset obtained less any new liability assumed).

Non-derivative financial liabilities
Subsequent measurement
Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

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

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

e. Foreign currency

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gain or loss arising on settlement and restatement are recognised in the Statement of Profit and Loss.

f. Property, plant and equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges
on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent Cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation

Depreciation is calculated as per the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013.

Leasehold improvements are amortised over the lease period.
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition of assets

An item of property plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

Upon first time adoption of IND-AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount at its deemed cost on the date of transition to IND-AS i.e. 01 April, 2019.

Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

The Company has elected to continue with the previous GAAP carrying amount of all intangible assets as deemed cost at the date of transition i.e. 01 April 2019.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in statement of profit or loss as incurred.

Derecognition of assets

An item of intangible asset and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets comprising of Software are amortised on a straight line basis over its estimated useful life or maximum 5 years, whichever is shorter.

Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

Transition to Ind AS

The Company has elected to measure all its property, plant and equipment (including CWIP) at the previous GAAP carrying amount as its deemed cost on the date of transition of Ind AS i.e. April 1, 2019.

g. Income taxes

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to item 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

Provision for current tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Advance taxes and provision for current income tax are presented in the balance sheet after offsetting the advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred tax

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity).

h. Employee Benefits

Short-term employee benefits:

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Contribution to provident fund and other funds :

In accordance with Indian Law, eligible employees receive benefits from Provident Fund , Employee State Insurance Contribution (ESIC) and Labour welfare fund which is defined contribution plan. In case of Provident fund, both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

Gratuity:

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit / obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefits / obligations are calculated at the balance sheet date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to other comprehensive income.

Compensated Absences:

The employees of the Company are entitled to leave as per the leave policy of the Company. The liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

i. Borrowing costs:

Borrowing cost of financial liabilities is recognised using the Effective Interest Rate (EIR) method.

j. Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

k. **Impairment of financial assets**

Loan assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is calculated to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. 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 at the time it is expected to be realised and the time value of money.

The Company applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVTOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

i) Stage 1: 12-months ECL - For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.

ii) Stage 2: Lifetime ECL – not credit impaired - For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD 31 days to 90 days are classified as stage 2. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

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iii) Stage 3: Lifetime ECL – credit impaired - Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD more than 90 days are classified as stage 3.

Loss allowances for financial assets

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. For details, refer note 35 (C).

Other receivables

In respect of other receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to the Statement of Profit and Loss.

l. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. The Company has netted off the balance of bank overdraft with cash and cash equivalents for cash Flow Statement.

m. Provisions, Contingent liabilities and Contingent assets:

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

n. Earnings per share

The basic earnings per equity share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

p. Leases

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer note 2 (j) of accounting policy for impairment of non-financial assets.

ii. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in other financial liabilities.

iii. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of laptops, lease-lines and office furniture and equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

q. Critical accounting estimates and judgements

In the process of applying the Company's accounting policies, management has made the following estimates and judgements, which have a significant impact on the carrying amounts of assets and liabilities at each balance sheet date.

i. Fair value of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements under Ind-AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 34.3.

ii. Expected credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward looking information. The inputs used and process followed by the Company in determining the ECL have been detailed in Note 35(c).

iii. Effective interest rate

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

iV. Business model assessment

Classification and measurement of financial assets depends on the results of the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

vi. Useful life and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

vii. Leases

- The determination of lease term for some lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options.
- The determination of the incremental borrowing rate used to measure lease liabilities.

viii. Deferred Tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced

ix. Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

x. Provisions and contingencies

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Company's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

r. Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division III which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
• Specified format for disclosure of shareholding of promoters.
• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

• Additional disclosures relating to undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

3 (a) Cash and cash equivalents **Amount Rs. in lakhs**

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
Cash on hand	5.30	14.31	12.12
Balances with banks			
- In current and saving accounts	22,453.25	32,024.70	10,566.88
- Deposit with original maturity of less than three months (Refer note below)	41,004.00	10,002.29	0.56
	63,462.55	**42,041.30**	**10,579.56**

Note: Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

(b) Bank balances other than cash and cash equivalents **Amount Rs. in lakhs**

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
In fixed deposit accounts with remaining maturity of less than 12 months	391.10	-	-
In fixed deposit accounts with remaining maturity of more than 12 months*	2,259.73	-	1.27
Margin money deposits#	882.38	823.87	-
	3,533.21	**823.87**	**1.27**

***** Represent deposits placed as cash collateral in connection with term loans.

Represent deposits placed as cash collateral in connection with securitization transactions.

4 Other receivables **Amount Rs. in lakhs**

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
Unsecured considered good	608.66	906.20	386.34
	608.66	**906.20**	**386.34**

Note: No receivables are due form directors and other officers of the Company either severally or jointly with any other person. Nor any other receivables are due from firms or private companies respectively in which any director is a partner a director or a member. Receivables are generally non interest bearing and are on terms of 30 to 60 days.

Svatantra Microfin Private Limited
Notes to the financial statements for the year ended 31 March 2021

5 Loans Amount Rs. in lakhs

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
(A) Loans at amortised cost			
(i) Loans to body corporate - loans repayable on demand	-	6,500.00	-
(ii) Term loans (Joint liability group and individual loans)	3,07,492.16	2,06,056.01	1,17,401.65
(ii) Loans to employees	108.36	49.76	35.23
Total (A) - Gross	**3,07,600.52**	**2,12,605.77**	**1,17,436.88**
Less: Impairment loss allowance	12,848.55	5,572.12	1,934.33
Total (A) - Net	**2,94,751.97**	**2,07,033.65**	**1,15,502.55**
(B) Secured/unsecured			
(i) Secured by tangible assets and intangible assets	-	-	-
(ii) Covered by Bank / Government Guarantees	-	-	-
(iii) Unsecured	3,07,600.52	2,12,605.77	1,17,436.88
Total (B) - Gross	**3,07,600.52**	**2,12,605.77**	**1,17,436.88**
Less: Impairment loss allowance	12,848.55	5,572.12	1,934.33
Total (B) - Net	**2,94,751.97**	**2,07,033.65**	**1,15,502.55**
(C)Loans in India			
(i) Public Sector	-	-	-
(ii) Others	3,07,600.52	2,12,605.77	1,17,436.88
Total (C)- Gross	**3,07,600.52**	**2,12,605.77**	**1,17,436.88**
Less: Impairment loss allowance	12,848.55	5,572.12	1,934.33
Total(C)-Net	**2,94,751.97**	**2,07,033.65**	**1,15,502.55**

Svatantra Microfin Private Limited
Notes to the financial statements for the year ended 31 March 2021

6 Other financial assets — Amount Rs. in lakhs

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
At amortised cost : Unsecured, considered goods			
Retained portion on asset assigned	7,867.58	7,243.82	759.49
Less: Impairment loss allowance	(398.22)	(49.89)	(1.57)
	7,469.36	**7,193.93**	**757.92**
Security deposits	171.86	160.44	102.07
	7,641.22	**7,354.37**	**859.99**

7 Deferred tax assets — Amount Rs. in lakhs

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
Deferred tax assets			
On account of:			
Impairment of financials instruments	3,211.32	1,433.48	590.77
Preliminary expenses	26.19	41.29	23.64
Expenses allowable on payment basis	201.61	108.73	50.75
Temporary differences of written down value of intangible assets and property, plant and equipment	74.03	42.40	6.52
Transaction costs on loans	554.79	516.54	258.99
Lease liabilities	3.12	3.04	-
Finance charges on compulsory convertible preference shares	-	8.36	-
Total deferred tax assets	**4,071.06**	**2,153.84**	**930.67**
Deferred Tax liabilities			
On account of:			
Transaction costs on borrowings and debt securities	457.32	302.99	200.38
Measurement gain on direct assignment	759.87	918.72	
Modification (restructuring) gain on financial assets	21.01	-	-
Total deferred tax Liabilities	1,238.20	1,221.71	200.38
Net Deferred tax assets / (liabilities)	**2,832.86**	**932.13**	**730.29**

12 Other non-financial assets — Amount Rs. in lakhs

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
Unsecured, considered good			
Prepaid expenses	665.23	593.68	426.43
Balance with government authorities	-	43.94	16.36
Other advances	53.03	38.24	-
	718.26	**675.86**	**442.79**

8 Property, plant and equipment

Amount Rs. in lakhs

Particulars	Furniture & fixtures	Computers	Office equipment's	Leasehold Improvements	Total
Gross block (at cost)					
Deemed cost at 1 April 2019 (Refer note below)	85.93	168.56	237.38	15.50	507.37
Additions	166.21	199.93	317.31	0.99	684.44
Disposals	-	-	1.75	-	1.75
As at 31 March 2020	**252.14**	**368.49**	**552.94**	**16.49**	**1,190.06**
Additions	56.85	156.64	250.97	20.44	484.90
Disposals	0.09	-	3.74	-	3.83
As at 31 March 2021	**308.90**	**525.13**	**800.17**	**36.93**	**1,671.13**
Accumulated depreciation					
As at 1 April 2019	-	-	-	-	-
Additions	94.62	118.77	149.99	5.38	368.76
Disposals	-	-	0.08	-	0.08
As at 31 March 2020	**94.62**	**118.77**	**149.91**	**5.38**	**368.68**
Additions	71.75	156.58	149.71	7.07	385.11
Disposals	-	-	0.42	-	0.42
As at 31 March 2021	**166.37**	**275.35**	**299.20**	**12.45**	**753.37**
Net Block					
As at 1 April 2019	85.93	168.56	237.38	15.50	507.37
As at 31 March 2020	157.52	249.72	403.03	11.11	821.38
As at 31 March 2021	**142.53**	**249.78**	**500.97**	**24.48**	**917.76**

The Company used carrying amount as per previous GAAP as on 1 April, 2019 in its opening IND AS statement of financial position as deemed cost for the item of property, plant and equipment.

Following are the disclosures with regard to its gross block value, accumulated depreciation and net block value as per previous GAAP as on 1 April 2019:

Amount Rs. in lakhs

Particulars	Original Cost	Accumulated depreciation	Net Block
Furniture & fixtures	185.89	99.96	85.93
Computers	339.90	171.34	168.56
Office equipment's	329.01	91.62	237.38
Leasehold Improvements	82.85	67.35	15.50
Total	**937.65**	**430.28**	**507.37**

Svatantra Microfin Private Limited
Notes to the financial statements for the year ended 31 March 2021

9 Right of use Asset — **Amount Rs. in lakhs**

Particulars	Office building
Gross amount as at 1 April 2019	**338.61**
Additions	-
Deletions	-
As at 31 March 2020	**338.61**
Additions	-
Deletions	-
As at 31 March 2021	**338.61**
Accumulated depreciation	
As at 1 April 2019	**-**
Charge for the year	113.09
Deletions	-
As at 31 March 2020	**113.09**
Charge for the year	112.78
Deletions	-
As at 31 March 2021	**225.87**
Net block	
As at 1 April 2019	**338.61**
As at 31 March 2020	**225.52**
As at 31 March 2021	**112.74**

10 Other intangible assets

Amount Rs. in lakhs

Particulars	**Computer software**	**Total**
Gross Block (at cost)		
Deemed cost at 1 April 2019 (Refer note below)	182.03	182.03
Additions during the year	86.26	86.26
Disposals during the year	-	-
As at 31 March 2020	**268.29**	**268.29**
Additions during the year	65.96	65.96
Disposals during the year	(2.52)	(2.52)
As at 31 March 2021	**331.73**	**331.73**
Accumulated amortization		
As at 1 April 2019	-	-
Additions during the year	73.94	73.94
Disposals during the year	-	-
As at 31 March 2020	**73.94**	**73.94**
Additions during the year	75.57	75.57
Disposals during the year	-	-
As at 31 March 2021	**149.51**	**149.51**
Net Block		
As at 1 April 2019	182.03	182.03
As at 31 March 2020	194.35	194.35
As at 31 March 2021	**182.22**	**182.22**

The Company used carrying amount as per previous GAAP as on 1 April, 2019 in its opening IND AS statement of financial position as deemed cost for the item of Intangible assets.

Following are the disclosures with regard to its gross block value, accumulated depreciation and net block value as per previous GAAP as on 1 April 2019:

Amount Rs. in lakhs

Particulars	**Original Cost**	**Accumulated depreciation**	**Net Block**
Other intangible assets	332.28	150.25	182.03
Total	**332.28**	**150.25**	**182.03**

Svatantra Microfin Private Limited
Notes to the financial statements for the year ended 31 March 2021

11 Intangible assets under development **Amount Rs. in lakhs**

Particulars	Amount
Deemed cost at 1 April 2019 (Refer note below)	**67.42**
Add: Additions during the year	15.87
Less: capitalised during the year	42.28
Balance as at 31 March 2020	**41.01**
Add: Additions during the year	-
Less: capitalised during the year	41.01
Balance as at 31 March 2021	**-**

The Company used carrying amount as per previous GAAP as on 1 April, 2019 in its opening IND AS statement of financial position as deemed cost for the item of Intangible assets under development.

13 Payables **Amount Rs. in lakhs**

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
(I) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 41)	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	1,610.29	365.17	362.42
(II) Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 41)	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	-	-	8.64
	1,610.29	**365.17**	**371.06**

* The Company does not have any outstanding dues and any interest payable for micro, small and medium enterprises- refer Note 41 .

Svatantra Microfin Private Limited
Notes to the financial statements for the year ended 31 March 2021

14 Debt Securities — **Amount Rs. in lakhs**

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
At amortised cost			
Redeemable non-convertible debentures			
Secured	25,944.99	-	-
Unsecured	19,719.96	8,764.85	7,267.49
Total (A)	45,664.95	8,764.85	7,267.49
Debt securities in India	45,664.95	8,764.85	7,267.49
Debt securities outside India	-	-	-
Total (B) to tally with (A)	**45,664.95**	**8,764.85**	**7,267.49**

Terms and security of Debt securities

Terms of debentures	Number of debentures			Amount Rs. in lakhs		
	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
Secured						
13.50% rated, senior, secured, redeemable, taxable, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	500	-	-	5,000	-	-
10.67% rated, listed, senior, secured, redeemable, taxable, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	500	-	-	5,000	-	-
11.10% rated, listed, senior, secured, redeemable, taxable, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	500	-	-	5,000	-	-
9.2% rated, listed, senior, secured, redeemable, taxable, Non Convertible Debentures of face value of Rs.1,000,000 .Redeemable at par.	250	-	-	2,500	-	-
11.50 % rated, listed, senior, secured, redeemable, taxable, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	150	-	-	1,500	-	-
13.00 % rated, secured, unsubordinated, senior, redeemable, taxable, transferable, listed, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	100	-	-	1,000	-	-
12.5% rated, listed, senior, secured, redeemable, taxable, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	150	-	-	1,500	-	-
11.5% rated, secured, senior, redeemable, taxable, transferrable, listed, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	200	-	-	2,000	-	-
11.35% rated, listed, senior, secured, redeemable, taxable, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	250	-	-	2,500	-	-
Nature of security The above non-convertible debentures ("NCD") are secured by way of a first ranking exclusive and continuing charge over the book debts / loan receivables of the Company.						
Unsecured						
12.00 % rated, unsecured, unsubordinated, senior, redeemable, taxable, transferrable, listed, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	500	-	-	5,000	-	-
11.70% unsecured, subordinated, fully paid up, rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1,000,000 each. Redeemable at par.	750	750	750	7,500	7,500	7,500
13.75% unsecured, subrdinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.10 each.Redeemable at par.	1,50,00,000	1,50,00,000	-	1,500	1,500	-
12.90% rated, listed, unsecured, taxable, redeemable, subordinated, transferrable, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	600	-	-	6,000	-	-
Total Debt securities				**46,000.00**	**9,000.00**	**7,500.00**
Adjustments of unamortised processing fee based on EIR basis				**(335.05)**	**(235.15)**	**(232.51)**
Total adjusted Debt securities				**45,664.95**	**8,764.85**	**7,267.49**

TERMS OF PRINCIPAL REPAYMENT OF NCDs **Amount Rs. in lakhs**

Original maturity and rate of interest	Maturity	As at 31-March-2021		As at 31-March-2020		As at 1-April-2019	
		No of instalments	Amount	No of instalments	Amount	No of instalments	Amount
Quarterly							
10.51% to 11.00%	Within 1 Year	3	3,750.00	-	-	-	-
11.51% to 12.00%	Within 1 Year	8	2,500.00	-	-	-	-
10.51% to 11.00%	1 - 3 Years	1	1,250.00	-	-	-	-
11.51% to 12.00%	1 - 3 Years	8	2,500.00	-	-	-	-
Half Yearly							
12.01% to 12.50%	Within 1 Year	2	2,000.00	-	-	-	-
12.01% to 12.50%	1 - 3 Years	3	3,000.00	-	-	-	-
Bullet							
9.00% to 9.50%	Within 1 Year	1	2,500.00	-	-	-	-
11.01% to 11.50%	Within 1 Year	1	5,000.00	-	-	-	-
11.01% to 11.50%	1 - 3 Years	3	6,000.00	-	-	-	-
11.51% to 12.00%	1 - 3 Years	1	7,500.00	-	-	-	-
12.01% to 12.50%	1 - 3 Years	1	1,500.00	-	-	-	-
12.51% to 13.00%	1 - 3 Years	1	1,000.00	-	-	-	-
11.51% to 12.00%	3 - 5 Years		-	1	7,500.00	-	-
13.51% to 14.00%	3 - 5 Years	1	1,500.00	-	-	-	-
11.51% to 12.00%	5 and above		-	-	-	1	7,500.00
12.51% to 13.00%	5 and above	2	6,000.00	-	-	-	-
13.51% to 14.00%	5 and above		-	1	1,500.00	-	-
Total debt Securities			**46,000.00**		**9,000.00**		**7,500.00**
Adjustments of unamortised processing fee based on EIR			(335.05)		(235.15)		(232.51)
Total adjusted debt securities			**45,664.95**		**8,764.85**		**7,267.49**

15 Borrowings (Other than Debt securities) **Amount Rs. in lakhs**

Particulars	**As at 31-March-2021**	**As at 31-March-2020**	**As at 1-April-2019**
At amortised cost			
Term loans			
Secured			
(i) from banks and financial institution	2,27,054.46	1,62,883.13	80,335.73
(ii) from others	31,295.33	29,985.45	18,326.64
Loans repayable on demand			
Secured			
from banks	-	4,312.46	3,000.68
5% Compulsorily Convertible Non-Cumulative Preference Shares			
Unsecured			
Debt portion of 8,000,000, 5% Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) having a par value of Rs.100 per share	-	2,917.27	-
Loan from PTC Investors - secured (refer note iii below)	2,481.54	11,789.84	-
Total (A)	2,60,831.33	2,11,888.15	1,01,663.05
Borrowings in India	2,60,831.33	2,11,888.15	1,01,663.05
Borrowings outside India	-	-	-
Total (B) to tally with (A)	**2,60,831.33**	**2,11,888.15**	**1,01,663.05**

Notes:

(i) Term loans and loans repayable on demand Secured by pari-passu and first ranking exclusive and continuing charge by way of hypothecation of all receivables of the Company, in the favour of security trustee. Loans availed having tenure of 10 months to 84 months with a moratorium period of 1 months to 36 months.

(ii) The repayment of the borrowing is done in monthly, quarterly, half - yearly and annual instalment and in bullet mode as per the sanctioned terms.

(iii) Loans from PTC investors represents amounts received in respect of securitisation transactions (net of repayments and investment therein) as these transactions do not meet the derecognition criteria specified under IND AS. These are secured by way of hypothecation of designated loan assets receivables.

TERMS OF PRINCIPAL REPAYMENT OF BORROWINGS FROM BANK, NBFCs AND FINANCIAL INSTITUTIONS **Amount Rs. in lakhs**

Rate of interest	Maturity	As at 31-March-2021		As at 31-March-2020		As at 1-April-2019	
		No of instalments	Amount	No of instalments	Amount	No of instalments	Amount
6.01% to 6.50%	Within 1 Year	1	1,875.00				
9.00% to 9.50%	Within 1 Year	5	16,000.00	-	-	3	2,250.00
9.51% to 10.00%	Within 1 Year	-	-	3	3,000.00	-	-
10.01% to 10.50%	Within 1 Year	-	-	3	2,000.00	4	4,000.00
5.01% to 5.50%	1 - 3 Years	33	15,000.00	-	-	-	-
8.51% to 9.00%	1 - 3 Years	45	12,500.00	-	-	-	-
9.01% to 09.50%	1 - 3 Years	30	29,999.69	4	548.46	8	1,046.94
9.51% to 10.00%	1 - 3 Years	72	7,458.33	18	2,344.70	60	6,043.12
10.01% to 10.50%	1 - 3 Years	147	15,506.67	47	5,642.59	223	27,326.45
10.51% to 11.00%	1 - 3 Years	116	33,912.19	217	46,032.98	-	-
11.01% to 11.50%	1 - 3 Years	346	75,478.46	303	77,616.47	88	14,311.96
11.51% to 12.00%	1 - 3 Years	146	31,954.87	129	23,981.41	23	2,395.83
12.01% to 12.50%	1 - 3 Years	-	-	24	1,391.30	60	3,478.26
13.01% to 13.50%	1 - 3 Years	52	1,145.85	-	-	-	-
8.51% to 9.00%	3 - 5 Years	-	-	10	780.93	-	-
9.00% to 9.50%	3 - 5 Years	23	1,793.33	43	3,031.53	47	2,281.97
9.51% to 10.00%	3 - 5 Years	8	495.24	18	974.92	46	3,599.48
10.01% to 10.50%	3 - 5 Years	6	2,495.21	10	4,166.67	121	16,565.63
10.51% to 11.00%	3 - 5 Years	37	4,037.89				
11.01% to 11.50%	3 - 5 Years	-	-	73	7,815.63	-	-
11.51% to 12.00%	3 - 5 Years	12	750.00	20	1,250.00	35	11,750.00
12.01% to 12.50%	3 - 5 Years	4	5,714.29	6	8,571.43	18	1,405.84
9.51% to 10.00%	5 and above	90	3,381.71	118	4,187.50	114	2,137.50
10.01% to 10.50%	5 and above	18	225.00	30	375	42	525.00
Total borrowings (excluding loans repayable on demand)			**2,59,723.72**		**1,93,711.52**		**99,117.98**
Adjustments of unamortised processing fee based on EIR			(1,373.93)		(842.95)		(455.61)
Total adjusted borrowings (excluding loans repayable on demand)			**2,58,349.79**		**1,92,868.57**		**98,662.37**

(ii) Terms of 5% Compulsorily Convertible Non-Cumulative Preference Shares ("CCPS")

Up to 31 March 2020, the Company had issued 8,000,000, 5% Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) having a par value of Rs.100 per share with following term below:

1. The CCPS shall carry a fixed rate of dividend of 5% (Five Percent) on the capital paid up thereon calculated on a proportionate basis from the date of allotment.
2. The payment of dividend on CCPS will be on non-cumulative basis.
3. The CCPS shall be compulsorily convertible into such number of Equity Shares on expiry of 10 (Ten) years from the date of allotment at price valued by a Chartered Accountant having minimum 10 years' of experience at that point of time.
4. The CCPS shall not be redeemable, since it is compulsorily convertible
5. The CCPS will carry preferential rights vis-à-vis Equity Shares of the Company with respect to the payment of Dividend and repayment of Capital during winding up.
6. The CCPS shall be non-participating in the surplus funds & assets and profits on winding up which may remain after the entire capital has been repaid.
7. The CCPS shall carry voting rights as per the provisions of Memorandum and Articles of the Company.
8. The CCPS shall rank pari passu in all respects, subject to the provisions of the Memorandum and Articles of Association of Company.
9. All other terms, conditions and right of the preference shareholders shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the Companies Act, 2013.

Pursuant to Company's request, with effect from 30 March 2021, the said CCPS shall be compulsorily convertible in to equity shares of Company after expiry of 10 years from the date of allotment of CCPS in the ratio of 871:100 (Face value per equity share Rs.10 plus premium of Rs. 1.48 per share).

Svatantra Microfin Private Limited
Notes to the financial statements for the year ended 31 March 2021

16 Other financial liabilities **Amount Rs. in lakhs**

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
Interest accrued but not due on borrowings	2,733.15	1,741.73	1,189.96
Lease liabilities	124.11	235.64	335.80
Employee benefits payable	384.85	289.73	206.97
Other payables	55.77	-	-
Payable towards securitised and assigned portfolio	5,020.34	3,796.73	758.66
	8,318.22	**6,063.83**	**2,491.39**

17 Provisions: **Amount Rs. in lakhs**

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
Provision for employee benefits			
Gratuity (also refer note 37)	286.23	142.81	68.52
Leave encashment (unfunded)	401.96	234.39	93.14
Phantom stock	47.81	6.43	2.75
	736.00	**383.63**	**164.41**

18 Other non-financial liabilities **Amount Rs. in lakhs**

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
Statutory dues	367.68	224.61	206.54
	367.68	**224.61**	**206.54**

19 (a) Share Capital **Amount Rs. in Lakhs**

(i) Details of authorised, issued, subscribed and paid up share capital

Particulars	As at 31-March-2021		As at 31-March-2020		As at 1-April-2019	
	Numbers of shares	Amount	Numbers of shares	Amount	Numbers of shares	Amount
Authorized:						
Equity shares of Rs. 10 each	75,50,00,000	75,500.00	75,50,00,000	75,500.00	18,00,00,000	18,000.00
Preference shares of Rs. 100 each	3,00,00,000	30,000.00	3,00,00,000	30,000.00	-	-
		1,05,500.00		1,05,500.00		18,000.00
Issued, subscribed and paid-up:						
Equity shares of Rs. 10 each fully paid up	25,20,46,875	25,204.69	25,20,46,875	25,204.69	17,20,46,875	17,204.69
		25,204.69		25,204.69		17,204.69

(ii) Rights, preferences and restrictions attached to equity shares

The Company has equity shares having a par value of Rs.10 per share. 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 remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Pursuant to the Board resolution dated 20 May 2019 and 30 September 2019 during the previous year, the Company had allotted 80,000,000 fully paid-up equity shares having face value of Rs.10 each on a right issue basis to the following parties:

Name of the shareholder	No. of shares	Amount Rs. In lakhs
TGS Investment and Trade Private Limited	17,50,000	175.00
Infocyber India Private Limited	5,00,000	50.00
Svatantra Holdings Private Limited	4,00,00,000	4,000.00
IGH Holdings Private Limited	80,00,000	800.00
Birla Group Holdings Private Limited	1,95,50,000	1,955.00
Umang Commercial Company Private Limited	1,02,00,000	1,020.00
	8,00,00,000	**8,000.00**

Details of shareholders holding more than 5% equity shares in the Company on reporting date:

Name of the shareholder	As at 31-March-2021		As at 31-March-2020		As at 1-April-2019	
	Numbers of shares	Percentage of shareholding	Numbers of shares	Percentage of shareholding	Numbers of shares	Percentage of shareholding
TGS Investment and Trade Private Limited	-	-	-	-	4,09,69,500	23.81%
Infocyber India Private Limited	-	-	-	-	3,11,28,500	18.09%
IGH Holdings Private Limited	-	-	-	-	3,43,87,031	19.99%
Birla Group Holdings Private Limited	-	-	-	-	4,36,36,125	25.36%
Umang Commercial Company Private Limited	-	-	-	-	2,19,25,719	12.74%
Ms. Ananyashree Birla	20,78,46,874	82.46%	20,78,46,874	82.46%	-	-
Svatantra Holdings Private Limited	4,00,00,000	15.87%	4,00,00,000	15.87%	-	-
Total	**24,78,46,874**	**98.33%**	**24,78,46,874**	**98.33%**	**17,20,46,875**	**100%**

The reconciliation of the number of equity shares outstanding:

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
Shares at the beginning of the year	25,20,46,875	17,20,46,875	13,23,43,750
Add :Shares issued during the year	-	8,00,00,000	3,97,03,125
Shares at the end of the year	**25,20,46,875**	**25,20,46,875**	**17,20,46,875**

(iii) Shares issued for consideration other than cash

The Company has not issued / allotted any shares pursuant to contracts without payment being received in cash, nor issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2021.

(iv) Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company (refer note 42)

(b) Instruments entirely equity in nature **Amount Rs. in lakhs**

Particulars	As at 31-March-2021	As at 31-March-2020	As at 01-April-2019
5% Compulsorily Convertible Non-Cumulative Preference Shares*	25,500.00	-	-

* Shares hold by Svatantra Holdings Private Limited. Also, refer note 32.

Right, preferences and restrictions attached to 5% Compulsorily Convertible Non-Cumulative Preference Shares

The Company has issued of 13,000,000 5% Compulsorily Convertible Non-Cumulative Preference Shares of Rs. 100 each ('CCPS') for cash at par aggregating to Rs.13,000 Lakhs in four tranches as detailed below. The CCPS shall carry a fixed rate of dividend of 5% (Five Percent) on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The CCPS shall be compulsorily convertible into such number of Equity Shares on expiry of 10 years from date of allotment (Refer below) at price valued by a Chartered Accountant having minimum 10 years' of experience at that point of time and shall be non-cumulative. The CCPS shall rank pari passu in all respects, subject to the provisions of the Memorandum and Articles of Association of the Company and that the CCPS shall qualify for dividend, if any, declared by the Company for the current year on a pro rata basis from the date of allotment.

Allotment details	Allotment date	No. of shares	Amount Rs. in lakhs
2,500,000 CCPS of Rs. 100 each	16-01-2020	25,00,000	2,500.00
2,500,000 CCPS of Rs. 100 each	10-02-2020	25,00,000	2,500.00
3,000,000 CCPS of Rs. 100 each	31-03-2020	30,00,000	3,000.00
5,000,000 CCPS of Rs. 100 each	30-09-2020	50,00,000	5,000.00

Pursuant to the Consent letter dated 30 March 2021, the aforesaid conversion term are revised as follows:
CCPS shall be compulsorily convertible into equity shares of the Company after expiry of ten years from the date of allotment (Refer note above) of CCPS in the ratio of 871:100 i.e. 100 CCPS of Rs. 100 each fully paid-up shall be convertible into 871 equity shares of Rs. 10 each fully paid up (face value per Equity share of Rs. 10 Plus premium of Rs. 1.48 per share).

All other terms and conditions of CCPS shall remain in full force and effect.

The Company has done split accounting of aforesaid CCPS ("Compound Instruments") till the date of change in terms i.e. 30 March 2021, and accordingly, the equity portion and debt portion was recognised in other equity and borrowings, respectively. Effective from 30 March 2021, the Company has done the modification accounting of these instruments as per their revised terms and conditions. Accordingly, the Company has derecognised the Compound Instruments and recognised the new instruments as Instrument entirely equity in nature.

Further, the Company has also issued of 12,500,000 5% Compulsorily Convertible Non-Cumulative Preference Shares of Rs. 100 each ('CCPS') for cash at par aggregating to Rs.12,500 Lakhs as detailed below. The CCPS shall carry a fixed rate of dividend of 5% (Five Percent) on the capital paid up thereon calculated on a proportionate basis from the date of allotment. CCPS shall be compulsorily convertible into equity shares of the Company after expiry of ten years from the date of allotment (Refer note above) of CCPS in the ratio of 871:100 i.e. 100 CCPS of Rs. 100 each fully paid-up shall be convertible into 871 equity shares of Rs. 10 each fully paid up (face value per Equity share of Rs. 10 Plus premium of Rs. 1.48 per share) and shall be non-cumulative. The Equity shares to be allotted on conversion of CCPS shall rank pari passu in all respects with the existing equity shares of the Company and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and that the CCPS shall qualify for dividend, if any, declared by the Company for the current year on a pro rata basis from the date of allotment.

Allotment details	Allotment date	No. of shares	Amount Rs. in lakhs
12,500,000 CCPS of Rs. 100 each	30-03-2021	1,25,00,000	12,500.00

(c) Other equity **Amount Rs. in lakhs**

Particulars	Notes	As at 31-March-2021	As at 31-March-2020	As at 01-April-2019
Equity component of compulsorily convertible non-cumulative preference shares	**19.2**	-	5,107.94	-
Securities premium	**19.3**	4.00	4.00	4.00
Statutory reserve in terms of section 45 - IC of the RBI Act	**19.4**	1,645.49	1,103.86	377.36
Impairment reserve	**19.5**	235.10	235.10	235.10
Retained earnings	**19.6**	4,061.35	1,903.81	(289.16)
Employee stock option plan reserve	**19.7**	104.38	49.23	18.75
Capital reserve on derecognition of compulsorily convertible non-cumulative preference shares	**19.8**	442.24	-	-
		6,492.56	**8,403.94**	**346.05**

Amount Rs. in lakhs

19.1

Particulars	As at 31-March-2021	As at 31-March-2020	As at 01-April-2019
Equity component of compulsorily convertible non-cumulative preference shares			
As per last balance sheet	-	5,107.94	-
Closing balance	**-**	**5,107.94**	**-**
Securities premium			
As per last balance sheet	4.00	4.00	4.00
Closing balance	**4.00**	**4.00**	**4.00**
Statutory reserve In terms of Section 45 - IC of the RBI Act			
Opening balance	1,103.86	377.36	44.15
Add: Current year transfer	541.63	726.50	333.21
Closing balance	**1,645.49**	**1,103.86**	**377.36**
Impairment reserve			
Opening balance	235.10	235.10	-
Add: Current year transfer	-	-	235.10
Closing balance	**235.10**	**235.10**	**235.10**
Retained earnings			
Opening balance	1,903.81	(289.16)	(1,464.99)
Add: Transferred from statement of profit and loss	2,708.12	2,872.98	1,744.14
Less: Transfer to statutory reserves	(541.63)	(726.50)	(333.21)
Less: Transfer to Impairment reserves	-	-	(235.10)
Items of other comprehensive income recognised directly in retained earnings			
Add: Other comprehensive (loss) / income for the year	(8.99)	46.49	-
Closing balance	**4,061.35**	**1,903.81**	**(289.16)**
Employee stock option plan reserve			
Opening balance	49.23	18.75	-
Add: Compensation for options granted	55.15	30.48	18.75
Closing balance	**104.38**	**49.23**	**18.75**
Capital reserve			
Opening balance	-	-	-
Add: Current year transfer	442.24	-	-
Closing balance	**442.24**	**-**	**-**
	6,492.56	**8,403.94**	**346.05**

19.2 Represents equity component of compulsorily convertible non-cumulative preference shares (also refer note 19 b above).

19.3 Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.

19.4 Statutory reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 ("the RBI Act"). In terms of Section 45 - IC of the RBI Act, a Non-Banking Finance Company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purpose specified by the RBI.

19.5 As per DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserves'. The balance in the 'Impairment Reserves' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserves without prior permission from the Department of Supervision, RBI.

19.6 Retained earnings

Retained earnings pertain to the accumulated earnings / losses made by the Company over the years.

19.7 Employee stock option plan reserve

The Company has an employee stock option scheme under which the option to subscribe for the companies share have been granted to the key employees and directors. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to the key employees as part of their remuneration. Refer to note 42 for further details of the scheme.

19.8 Capital reserve

Capital reserve represents gain on derecognition of compulsorily convertible non-cumulative preference shares (also refer note19 b above)

20 Interest income

Amount Rs. in lakhs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
On financial assets measured at amortised cost		
Interest on loans	44,960.87	29,409.77
Interest on deposits with banks	843.74	48.98
Interest on employee loans	7.01	4.97
Total	**45,811.62**	**29,463.72**

Svatantra Microfin Private Limited
Notes to the financial statements for the year ended 31 March 2021

21 Fees and commission income

Amount Rs. in lakhs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Income from commission	1,025.62	1,408.78
Total	**1,025.62**	**1,408.78**

22 Net gain on fair value changes

Amount Rs. in lakhs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net gain on financial instruments at fair value through profit or loss		
- Investments in mutual funds	242.07	518.26
	242.07	**518.26**
Total net gain on fair value changes		
Fair Value changes:		
-Realised	242.07	518.26
-Unrealised	-	-
Total	**242.07**	**518.26**

23 Other income

Amount Rs. in lakhs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Recovery against loans written off	8.20	27.28
Modification (restructuring) gain on financial assets	145.35	-
Miscellaneous income	160.13	56.14
Total	**313.68**	**83.42**

24 Finance costs

Amount Rs. in lakhs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
On financial liabilities measured at amortised costs		
Interest		
On borrowings (other than debt securities)	21,944.78	14,174.72
On debt securities	3,705.34	911.28
On lease liabilities	19.92	31.29
On securitised portfolio	828.04	391.38
Other borrowing costs	1,247.02	647.04
Total	**27,745.10**	**16,155.71**

25 Impairment on financial instruments

Amount Rs. in lakhs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
On financial assets measured at amortised cost		
Loans		
Impairment on loan portfolio	7,763.12	3,720.83
Loan writte-off	113.00	1,455.50
Total	**7,876.12**	**5,176.33**

26 Employee benefits expenses — **Amount Rs. in lakhs**

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Salaries and allowances	10,234.17	8,093.18
Contribution to provident and other funds	815.61	646.91
Expenses on employee stock option plan	55.15	92.61
Staff welfare expenses	799.02	743.74
Total	**11,903.95**	**9,576.44**

27 Depreciation and amortisation — **Amount Rs. in lakhs**

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Depreciation of plant, property and equipment	385.11	368.76
Depreciation of right of use assets	112.78	113.09
Amortisation of intangible asset	75.57	73.94
Total	**573.46**	**555.79**

28 Other expenses — **Amount Rs. in lakhs**

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Advertisement expenses	3.36	5.47
Rates and taxes	147.04	29.29
Rent	618.63	522.82
Communication expenses	229.86	223.97
Travelling and conveyance expenses	990.69	1,110.44
Training expenses	106.96	135.60
Recruitment expenses	1.33	6.33
Insurance expenses	19.73	1.72
Printing and stationery	128.95	171.21
Legal and professional fees	395.47	373.72
Website development expenses	14.85	10.72
Electricity and water expenses	109.36	92.18
Membership and subscription	52.23	46.24
Repairs and maintenance	507.06	253.94
Share issue expenses	-	127.69
Loss on sale of intangible assets and property, plant and equipment	0.14	1.27
Cash management charges (CMS)	567.21	412.01
Corporate social responsibility (refer note - 45)	39.09	-
Bank charges	52.66	36.60
Auditors' remuneration		
- Audit fees	28.25	16.83
- Tax audit fees	2.73	2.34
- For other services	18.07	0.27
Other expenditure	181.80	172.69
Total	**4,215.47**	**3,753.35**

29 Contingent liabilities and commitments

a) Contingent liabilities:

Contingent liability relating to determination of provident fund liability, based on a Supreme Court judgement, is not determinable at present, due to uncertainty on the impact of the judgement in absence of further clarification relating to applicability. The Company will continue to assess any further developments in this matter for their implications on financial statements, if any, which, based on the number of employees, is not expected to be significant.

b) Capital and other commitments: **Amount Rs. in lakhs**

Particulars	As at 31-March-2021	As at 31-March-2020	As at 01-April-2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	88.40	18.57	20.70
Total	**88.40**	**18.57**	**20.70**

30 Tax expense **Amount Rs. in lakhs**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax expense		
Current tax for the year	2,874.00	1,295.20
Total	**2,874.00**	**1,295.20**
Deferred taxes liabilities / (assets)		
Relating to origination and reversal of temporary differences	(1,897.69)	(217.47)
Net deferred tax expense	**(1,897.69)**	**(217.47)**
Total income tax expense	**976.31**	**1,077.73**

30.1 Tax reconciliation **Amount Rs. in lakhs**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before income tax expense	3,684.43	3,950.71
Statutory income tax rate	25.168%	25.168%
Tax at statutory income tax rate	927.30	994.30
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax impact on expenses which is non deductible	116.59	45.13
Tax impact on additional deduction	(67.58)	(63.23)
Impact of difference in tax rate on certain items	-	101.53
Income tax expense	**976.31**	**1,077.73**

30.2 Deferred tax movement related to the following:

1 April 2020 to 31 March 2021 **Amount Rs. in lakhs**

Particulars	Balance April 1,2020	(Charge)/ Credit in Profit & Loss	Recognised in OCI	Recognised in Other Equity	Balance March 31, 2021
Deferred tax asset on account of:					
Impairment of financials instruments	1,433.48	1,777.84	-	-	3,211.32
Preliminary expenses	41.29	(15.10)	-	-	26.19
Expenses allowable on payment basis	108.71	89.85	3.03	-	201.59
Temporary differences of written down value of intangible assets and property, plant and equipment	42.41	31.63	-	-	74.04
Transaction costs on loans	516.54	38.25	-	-	554.79
Lease liabilities	3.04	0.08	-	-	3.12
Finance charges on compulsory convertible preference shares	8.36	(8.36)	-	-	0.00
	2,153.84	**1,914.19**	**3.03**	**-**	**4,071.07**
Deferred tax liability on account of:					
Transaction cost on borrowings and debt securities	302.99	154.33	-	-	457.32
Measurement gain on direct assignment	918.72	(158.85)	-	-	759.87
Modification (restructuring) gain on financial assets	-	21.02	-	-	21.02
	1,221.71	**16.50**	**-**	**-**	**1,238.21**
	932.13	**1,897.69**	**3.03**	**-**	**2,832.86**

1 April 2019 to 31 March 2020 **Amount Rs. in lakhs**

Particulars	Balance April 1,2019	(Charge)/ Credit in Profit & Loss	Recognised in OCI	Recognised in Other Equity	Balance March 31, 2020
Deferred tax asset on account of:					
Impairment of financials instruments	590.77	842.71	-	-	1,433.48
Preliminary expenses	23.65	17.64	-	-	41.29
Expenses allowable on payment basis	50.75	73.60	(15.64)	-	108.71
Temporary differences of written down value of intangible assets and property, plant and equipment	6.51	35.90	-	-	42.41
Transaction costs on loans	258.99	257.55	-	-	516.54
Lease liabilities	-	3.04	-	-	3.04
Finance charges on compulsory convertible preference shares	-	8.36	-	-	8.36
	930.67	**1,238.80**	**(15.64)**	**-**	**2,153.84**
Deferred tax liability on account of:					
Transaction cost on borrowings and debt securities	200.38	102.61	-	-	302.99
Measurement gain on direct assignment	-	918.72	-	-	918.72
	200.38	**1,021.33**	**-**	**-**	**1,221.71**
	730.29	**217.47**	**(15.64)**	**-**	**932.13**

31 Earnings per share **Amount Rs. in lakhs**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Net profit attributable to equity shareholders	2,708.12	2,872.98
Add : Interest on liability component of compound financial instrument charged to statement of profit and loss	-	33.23
Adjusted net profit attributable to equity shareholders	2,708.12	2,906.21
Weighted average number of equity shares outstanding for basic and diluted earnings per share*	34,41,58,108	23,54,81,589

Earnings per share		
Basic earning per share (₹)	0.79	1.23
Diluted earning per share (₹)#	0.79	1.23
Nominal value per share (₹)	10	10

* Weighted average number of equity shares outstanding includes non cumulative compulsorily convertible preference shares.

Employee stock option plans are not considered for calculation of diluted weighted average number of equity shares as its effect would have been anti-dilutive.

32 Related party disclosures

Related party disclosures as required under Indian Accounting standard 24, " Related party disclosure" are given below.

32.1 List of related parties

Nature of relationship	Name of related party
Investing party in respect of which the Company is an associate	TGS Investment and Trade Private Limited (up to 30 Sept 2019) Birla Group Holdings Private Limited (up to 30 Sept 2019)
Key Managerial Personnel (KMP)	Kumar Mangalam Birla (Director) Neerja Birla (Director) Ananyashree Birla (Director) Vineet Bijendra Chattree (Additional Director) Anujeet Varadkar (Chief Executive Officer) Vrushali Vishal Mahajan (Chief Financial Officer) (w.e.f. 2 June 2020) Surinder Kumar Bhatia (Company Secretary)
Other Related Parties (Parties on which KMP's of the Company are able to exercise control)	Svatantra Holdings Private Limited Vodafone Idea Limited Svatantra Microfin Employee Gratuity Fund

32.2 Transactions during the period with related parties : **Amount Rs. in lakhs**

Transactions with	Nature of transactions	For the period 1 April 2020 to 31 March 2021	For the period 1 April 2019 to 31 March 2020
TGS Investment and Trade Private Limited	Equity share capital	-	175.00
Svatantra Holdings Private Limited	Equity share capital	-	4,000.00
IGH Holdings Private Limited	Equity share capital	-	800.00
Birla Group Holdings Private Limited	Equity share capital	-	1,955.00
Svatantra Holding Private Limited	Compulsorily convertible preference shares	17,500.00	8,000.00
Vodafone Idea Limited (arm length price)	Services received	22.50	62.79
Anujeet Varadkar	Remuneration	52.68	52.36
Vrushali Vishal Mahajan	Remuneration	45.46	44.81
Surinder Kumar Bhatia	Remuneration	27.72	27.38

Note:

1.The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (Svatantra Microfin Employee Gratuity Fund).

2.Employee benefits in relation to gratuity are calculated at the Company level and hence not considered in above disclosure.

32.3 Closing balances : **Amount Rs. in lakhs**

Transactions with	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Svatantra Holdings Private Limited	25,500.00	8,000.00	-

33 Capital management

The Company's objective for capital management is to maximize shareholders' value, safeguard business continuity, meet the regulatory requirement and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, retained earnings and operating cash flows generated.

As an NBFC-MFI, the RBI requires us to maintain a minimum capital to risk weighted assets ratio (""CRAR"") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times.

The Company has a board approved policy on resource planning which states that the resource planning of the Company shall be based on its Asset Liability Management (ALM) requirement. The policy of the Company on resource planning will also cover the objectives of the regulatory requirement. The policy prescribes the sources of funds, threshold for mix from various sources, tenure, manner of raising the funds etc.

Regulatory capital **Amount Rs. in lakhs**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Tier I Capital	**52,622.48**	**34,254.88**	**15,552.11**
Tier II Capital	**13,318.17**	**7,975.06**	**6,341.74**
Tier I + Tier II Capital	**65,940.65**	**42,229.94**	**21,893.85**
Risk weighted assets	2,99,399.34	2,03,566.38	1,17,221.02
Tier I CARR	17.43%	16.63%	13.27%
Tier II CARR	4.45%	3.92%	5.41%
Total CARR	**21.88%**	**20.55%**	**18.68%**

The Company has complied in full with all its externally imposed capital requirements over the reported period.

Loan covenants
In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breach in meeting these financial covenants would permit the bank to immediately call loans and borrowings. There have been no substantive breaches in the financial covenants of any borrowing in the current period. Loan covenants mainly include minimum CRAR of 15%.

34 Fair value measurement

34.1 Financial instruments by category

Amount Rs. in lakhs

Particulars	Category	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Financial assets:				
Cash and cash equivalents	Amortized cost	63,462.55	42,041.30	10,579.56
Bank balances other than cash and cash equivalents	Amortized cost	3,533.21	823.87	1.27
Other receivables	Amortized cost	608.66	906.20	386.34
Loans	Amortized cost	2,94,751.97	2,07,033.65	1,15,502.55
Other financial assets	Amortized cost	7,641.22	7,354.37	859.99
Total financial assets		**3,69,997.61**	**2,58,159.39**	**1,27,329.71**
Financial liabilities:				
Trade and other payables	Amortized cost	1,610.29	365.17	371.06
Debt securities	Amortized cost	45,664.95	8,764.85	7,267.49
Borrowings (other than debt securities)	Amortized cost	2,60,831.33	2,11,888.15	1,01,663.05
Lease liabilities	Amortized cost	124.11	235.64	335.80
Other financial liabilities (excluding lease liabilities)	Amortized cost	8,194.11	5,828.19	2,155.59
Total financial liabilities		**3,16,424.79**	**2,27,082.00**	**1,11,792.99**

34.2 Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting standard. These three levels are defined based on the observability of significant inputs to the measurement, as follows.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

34.3 Financial assets and liabilities measured at amortized cost at each reporting date

The carrying value of cash and cash equivalents, other bank balances, other financial assets, trade payables and other payables and other financial liabilities are considered to be approximately equal to the fair value due to their short term maturities.

Amount Rs. in lakhs

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets measured at amortized cost				
Cash and cash equivalents	63,462.55	63,462.55	42,041.30	42,041.30
Bank balances other than cash and cash equivalents	3,533.21	3,533.21	823.87	823.87
Other receivables	608.66	608.66	906.20	906.20
Loans	2,94,751.97	3,07,203.27	2,07,033.65	2,10,262.13
Other financial assets	7,641.22	7,641.22	7,354.37	7,354.37
Total financial assets	**3,69,997.61**	**3,82,448.91**	**2,58,159.39**	**2,61,387.87**
Financial liabilities measured at amortized cost				
Trade payables	1,610.29	1,610.29	365.17	365.17
Debt securities	45,664.95	48,832.89	8,764.85	10,077.91
Borrowings (other than debt securities)	2,60,831.33	2,61,745.87	2,11,888.15	2,12,580.92
Other financial liabilities	8,318.22	8,318.22	6,063.83	6,063.83
Total financial liabilities	**3,16,424.79**	**3,20,507.27**	**2,27,082.00**	**2,29,087.83**

Amount Rs. in lakhs

Particulars	As at 1 April 2019	
	Carrying Value	Fair Value
Financial assets measured at amortized cost		
Cash and cash equivalents	10,579.56	10,579.56
Bank balances other than cash and cash equivalents	1.27	1.27
Other receivables	386.34	386.34
Loans	1,15,502.55	1,16,126.10
Other financial assets	859.99	859.99
Total financial assets	**1,27,329.71**	**1,27,953.26**
Financial liabilities measured at amortized cost		
Trade payables	371.06	371.06
Debt securities	7,267.49	8,581.04
Borrowings (other than debt securities)	1,01,663.05	1,02,200.19
Other financial liabilities	2,491.39	2,491.39
Total financial liabilities	**1,11,792.99**	**1,13,643.68**

i) Loans - Fair value is determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans.

ii) Borrowings - All the borrowing taken are at floating rate except few which are on fixed rate of interest and hence, its fair value are deemed to be equivalent to the carrying value adjusted with un-amortize transaction cost. Fair value of fixed loans are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans.

iii) Debt securities and lease liabilities - The fair value of debt securities are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans.

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

34.4 Transfer of financial assets

(i) Securitisation Transaction:

During the year ended 31 March 2020, the Company had entered into securitisation arrangement. Under such arrangement, the Company has transferred a pool of loans, which did not fulfil the derecognition criteria specified under Ind AS 109 as the Company had concluded that risk and rewards with respect to these assets are not substantially transferred. Following such transfer, the Company's involvement in these assets is as follows:

- As a servicer of the transferred assets

- To the extent of credit enhancements provided to such parties

The value of Financial assets and liabilities as on :- **Amount Rs. in lakhs**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Carrying amount of assets	4,464.93	12,537.70	-
Carrying amount of associated liabilities	2,653.72	10,726.49	-
Fair value of assets	4,475.40	12,630.01	-
Fair value of associated liabilities	2,653.72	10,726.49	-

(ii) Assignment Transaction:

The Company has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of deal and since the derecognition criteria as per Ind AS 109, including transaction of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised.

The management has evaluated the impact of the assignment transactions done during the year for its business model. Based on the future business plan, the Company's business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognised assets :-

Amount Rs. in lakhs

Particulars	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Carrying amount of derecognised financial assets	53,706.44	58,401.09	-
Gain/(loss) for the year	8,605.54	7,694.15	-

Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety, therefore the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as interest only strip receivable and correspondingly recognised as profit on derecognition of financial asset.

35 Financial risk management
Risk Management

The Company is exposed to certain financial risks namely credit risk, liquidity risk and market risk i.e. interest risk, foreign currency risk and price risk. The Company's primary focus is to achieve better predictability of financial markets and minimize potential adverse effects on its financial performance by effectively managing the risks on its financial assets and liabilities.

The Principal objective in Company's risk management processes is to measure and monitor the various risks associated with the Company's and to follow policies and procedures to address such risks. The Company 's risk management framework is driven by its Board and its sub-committees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. The Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence and major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

A Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities –debt securities, borrowing, trade payables and other financial liabilities. The Company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The tables below summarizes the maturity profile of the undiscounted cash flows of the Company's financial liabilities:

As at 31 March 2021 — **Amount Rs. in lakhs**

Particulars	**Within 1 year**	**1 - 5 years**	**5 - 10 years**	**Beyond 10 years**	**Total**
Trade payables	1,610.29	-	-	-	1,610.29
Debt securities	21,525.92	33,226.52	6,390.18	-	61,142.62
Borrowings (other than debt securities)	1,71,862.84	1,16,523.52	382.93	-	2,88,769.29
Other financial liabilities	8,194.11	-	-	-	8,194.11
Lease liabilities	131.45	-	-	-	131.45
Total	**2,03,324.61**	**1,49,750.04**	**6,773.11**	**-**	**3,59,847.76**

As at 31 March 2020 — **Amount Rs. in lakhs**

Particulars	**Within 1 year**	**1 - 5 years**	**5 - 10 years**	**Beyond 10 years**	**Total**
Trade payables	365.17	-	-	-	365.17
Debt securities	1,032.75	11,885.86	1,706.25	-	14,624.86
Borrowings (other than debt securities)	1,27,338.87	93,833.56	791.27	-	2,21,963.70
Other financial liabilities	5,828.19	-	-	-	5,828.19
Lease liabilities	131.45	131.45	-	-	262.90
Total	**1,34,696.43**	**1,05,850.87**	**2,497.52**	**-**	**2,43,044.82**

As at 1 April 2019 — **Amount Rs. in lakhs**

Particulars	**Within 1 year**	**1 - 5 years**	**5 - 10 years**	**Beyond 10 years**	**Total**
Trade payables	371.06	-	-	-	371.06
Debt securities	877.50	11,887.50	-	-	12,765.00
Borrowings (other than debt securities)	58,755.64	57,768.70	-	-	1,16,524.34
Other financial liabilities	2,155.59	-	-	-	2,155.59
Lease liabilities	131.45	262.91	-	-	394.36
Total	**62,291.24**	**69,919.11**	**-**	**-**	**1,32,210.35**

B Market risk

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Company is not exposed to foreign currency exposure.

(ii) Interest rate risk

The Company is subject to interest rate risk, since the rates of borrowing might fluctuate over the tenure of instrument. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks. Loans given to customers are at fixed rate of interest.

Details of loans and borrowings

Amount Rs. in lakhs

Particulars	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Loans (fixed rate)	2,94,751.97	2,07,033.65	1,15,502.55
Total loans (fixed rate)	**2,94,751.97**	**2,07,033.65**	**1,15,502.55**
Borrowings and debt securities*			
Borrowings (variable)	2,28,355.60	1,79,451.10	95,632.03
Borrowings (fixed rate)	75,659.14	26,494.79	13,298.88
Total borrowings	**3,04,014.74**	**2,05,945.89**	**1,08,930.91**

* excluding debt portion of 5% compulsorily convertible non-cumulative preference shares and borrowing under securitisation arrangements.

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in variable interest rates (all other variables being constant) of the Company's Statement of profit and loss:

Amount Rs. in lakhs

Interest rate sensitivity*	**Impact on profit before tax**	
	For the year ended 31 March 2021	**For the year ended 31 March 2020**
Borrowings		
Increase by 50 basis points	(1,141.78)	(897.26)
Decrease by 50 basis points	1,141.78	897.26

** Holding all other variables as constant*

(iii) Price risk

Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets. The Company do not have any investment as on balance sheet date either at fair value through other comprehensive income or at fair value through profit and loss.

C Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit quality of assets

Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk. A centralized risk management function oversees the risk management framework, which periodically presents an overview of credit risk of portfolio to the Risk Management Committee.

Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time.

Expected Credit loss (ECL):
Credit Quality of Loans assets:

The following table sets out information about credit quality of loans measured at amortized cost based on days past due information. The amount represents gross carrying amount.

Amount Rs. in lakhs

Particulars	**31 March 2021**	**31 March 2020**	**1 April 2019**
Gross carrying value			
Stage 1	3,01,107.96	2,17,254.51	1,15,013.58
Stage 2	7,647.67	260.07	370.10
Stage 3	6,712.47	2,335.01	2,812.69
Total Gross carrying value as at reporting date	**3,15,468.10**	**2,19,849.59**	**1,18,196.37**

Management of credit risk for financial assets

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees security deposits insurance claim receivables and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Company is a rural focused NBFC-MFI with a geographically diversified presence in India and offer income generation loans under the joint liability group model, predominantly to women from low-income households in Rural Areas. Further, as we focus on providing micro-loans in Rural Areas, our results of operations are affected by the performance and the future growth potential of microfinance in rural India. Our clients typically have limited sources of income, savings and credit histories and our loans are typically provided free of collateral. Such clients generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities. In addition, we rely on non-traditional guarantee mechanisms rather than tangible assets as collateral, which may not be effective in recovering the value of our loans.

In order to mitigate the impact of credit risk in the future profitability, the Company creates impairment loss allowance basis the expected credit loss (ECL) model for the outstanding loans as at balance sheet date.The Company has restructured or rescheduled in the terms of the certain loan accounts in the current year on account of COVID-19 related restructuring measures prescribed by the Reserve Bank of India. This has resulted in increased management estimation over determination of losses for such restructured loans.

Inputs considered in the ECL model
Definition of default

A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days past due. Non-payment on another obligation of the same customer is also considered as a stage III.

Exposure at default (EAD)

The EAD represents expected outstanding exposure subject to credit risk at the period/date, when default is considered. The Company does cash flow mapping based on contractual maturity for loans in Stage II, using the exposure at default in future years and the probability of default estimation based on macro variables. For stage I and stage III, as an approximation balance sheet outstanding is used.

Loss given default (LGD)

It is defined as the percentage risk of exposure that is not expected to be recovered in the event of default.
Based on an analysis of historical data, the Company has estimated the loss given default, using historical recovery experience and recovery cost. This is referred to as the workout method. Such recoveries are discounted using interest rate of the loans. While calculating LGD percentage, 100% recoveries are estimated for the cases where the recoveries are absolutely certain to happen within a short period of time.

Probability of Default (PD)

"Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 asset's a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. Historical DPD data is utilized to calculate through the cycle PD. PD analysis tracks the migration behaviour of a static pool of loans active at the end of each year across different buckets- Current-30 DPD, 31-90 DPD and 90+ DPD for the 12 month and lifetime period.

Forward looking information

Forward looking information is incorporated in the measurement of probability of default and consequently in measurement of ECL. Based on the consideration of a variety of external actual and forecast information, the Company forms a 'base case' view of the future direction of GDP growth rate as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.
Further, in the global pandemic Covid 19, management overlays are applied in determining forward looking scenarios. It is considered by evaluating all relevant internal and reasonably available external data namely Industrial research by various credit rating agencies.

Significant increase in credit risk

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default occurring over the remaining life of the loan exposure. However, unless identified at an earlier stage, the Company have determined all assets are deemed to have suffered a significant increase in credit risk when 30 days past due.

Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor does not have sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Any recoveries made are recognized in Statement of Profit or Loss.

Credit Risk exposure

i) Expected credit losses for financial assets other than loans

Amount Rs. in lakhs

As at 31 March 2021	**Estimated gross carrying amt at default**	**Expected credit losses**	**Carrying amount net of impairment provision**
Cash and cash equivalents	63,462.55	-	63,462.55
Bank balances other than cash and cash equivalents	3,533.21	-	3,533.21
Other receivables	608.66	-	608.66
Other financial assets	8,039.44	398.22	7,641.22

Amount Rs. in lakhs

As at 31 March 2020	**Estimated gross carrying amt at default**	**Expected credit losses**	**Carrying amount net of impairment provision**
Cash and cash equivalents	42,041.30	-	42,041.30
Bank balances other than cash and cash equivalents	823.87	-	823.87
Other receivables	906.20	-	906.20
Other financial assets	7,404.26	49.89	7,354.37

Amount Rs. in lakhs

As at 1 April 2019	**Estimated gross carrying amt at default**	**Expected credit losses**	**Carrying amount net of impairment provision**
Cash and cash equivalents	10,579.56	-	10,579.56
Bank balances other than cash and cash equivalents	1.27	-	1.27
Other receivables	386.34	-	386.34
Other financial assets	861.56	1.57	859.99

ii) Expected credit loss for loans

Changes in the gross carrying amount and the corresponding ECL allowances in relation to loans from beginning to end of reporting period:

Amount Rs. in lakhs

Particulars	**Stage 1**	**Stage 2**	**Stage 3**
Gross carrying amount as at April 1 2019	**1,14,254.99**	**369.41**	**2,812.48**
Assets originated	1,93,574.92	89.23	135.05
Net transfer between stages			
Transfer to stage 1	5.40	(5.32)	(0.08)
Transfer to stage 2	(70.66)	72.02	(1.37)
Transfer to stage 3	(988.53)	(221.28)	1,209.82
Assets derecognized or collected (excluding write offs)	(96,916.49)	(138.51)	(1,575.31)
Gross carrying amount as at March 31 2020	**2,09,859.63**	**165.55**	**2,580.59**
Assets originated	1,82,007.04	646.82	563.52
Net transfer between stages			
Transfer to stage 1	1.04	(0.89)	(0.12)
Transfer to stage 2	(6,568.96)	6,729.62	(160.66)
Transfer to stage 3	(3,030.43)	(177.36)	3,207.79
Assets derecognized or collected (excluding write offs)	(88,089.58)	(70.82)	(62.26)
Gross carrying amount as at March 31 2021	**2,94,178.74**	**7,292.92**	**6,128.86**

Reconciliation of loss allowance provision from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Loss allowance as on April 1 2019	526.52	130.75	1,277.06
Assets originated	4,537.84	40.53	85.63
Net transfer between stages			
Transfer to stage 1	0.13	(0.12)	-
Transfer to stage 2	(70.03)	70.56	(0.53)
Transfer to stage 3	(375.96)	(112.64)	488.60
Assets derecognized or collected (excluding write offs)	(332.23)	(17.49)	(676.50)
Loss allowance as on March 31 2020	**4,286.27**	**111.59**	**1,174.26**
Assets originated	6,803.29	394.92	246.29
Net transfer between stages			
Transfer to stage 1	0.02	(0.02)	-
Transfer to stage 2	(3,439.21)	3,439.41	(0.20)
Transfer to stage 3	(1,627.34)	(95.24)	1,722.58
Assets derecognized or collected (excluding write offs)	(126.48)	(25.42)	(16.17)
Loss allowance as on March 31 2021	**5,896.55**	**3,825.24**	**3,126.76**

Concentration of loans **Amount Rs. in lakhs**

Concentration by type of loan	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Loans to body corporate - loans repayable on demand	-	6,500.00	-
Term loans (Joint liability group loans)	3,15,359.74	2,13,299.83	1,18,161.14
Employee loans	108.36	49.76	35.23
Gross carrying Amount	**3,15,468.10**	**2,19,849.59**	**1,18,196.37**

36 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)

The outbreak of COVID-19 pandemic across the globe including the current second wave witnessed across the country has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Reserve Bank of India (RBI) had issued guidelines relating to COVID-19 Regulatory Package dated 27 March 2020, 17 April 2020 and 23 May 2020 and in accordance therewith, the Company basis its Board approved policy has offered moratorium on the payment of EMI's falling due between 01 March 2020 and 31 August 2020 to its eligible borrowers. For all such accounts where the moratorium was granted, the asset classification remained standstill during the moratorium period. Thereafter, the assets are being classified as per the extant RBI instructions / IRAC norms.

The Company recognizes the need to make reasonable estimation of the impact of ongoing second wave of the pandemic on the repayment ability of its borrowers. The Company has analysed its portfolio based on various parameters to ascertain the impact of Covid-19 and basis of its estimates, assumptions and judgments has recognised an additional ECL provision of Rs. 2,499.34 lakhs as of 31 March 2021. Given the uncertainty over the potential macro-economic condition, the impact of the COVID-19 may affect the underlying assumptions and estimates used to prepare the financial statements, which may be different from that considered as at the date of approval of the financial statements. The Company will continue to closely monitor any material changes to future economic conditions and suitable effect will be given in the respective future period.

37.0 Retirement benefit plans

(A) Defined benefit obligation

The Company has the following defined benefits plans:

Particulars
Gratuity (funded)

As per Ind AS-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:

	Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
37.1	**Actuarial assumptions**			
	Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2006-08
	Discount rate (per annum)	5.50%	5.50%	7.70%
	Rate of salary increase	7.00%	7.00%	7.00%
	Withdrawal based on age per annum (Rate of employee turnover)			
	Upto 30 years	26.00%	25.00%	3.00%
	31 - 44 years	26.00%	25.00%	2.00%
	Above 44 years	26.00%	25.00%	1.00%

Amount Rs. in lakhs

	Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
37.2	**Changes in the present value of defined benefit obligation**		
	Present value of obligation at the beginning of the year	204.22	126.42
	Interest expense	11.22	9.76
	Current service cost	123.55	131.45
	Past service cost	-	-
	Benefit paid	(2.15)	(0.77)
	Actuarial (gains) / losses on obligations - due to change in demographic assumptions	(6.49)	(203.08)
	Actuarial (gains) / losses on obligations - due to change in financial assumptions	6.25	155.78
	Actuarial (gains) / losses on obligations - due to experience	12.31	(15.33)
	Present value of obligation at the end of the year	**348.91**	**204.22**

Amount Rs. in lakhs

	Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
37.3	**Assets and liabilities recognized in the balance sheet**			
	Present value of the defined benefit obligation at the end of the year	348.91	204.22	126.42
	Fair value of plan assets at the end of the year	62.68	61.42	57.90
	Net liability / (asset) recognized in the balance sheet	**286.23**	**142.81**	**68.52**

Amount Rs. in lakhs

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
37.4	**Changes in the fair value of plan assets**		
	Fair value of plan assets as at the beginning	61.42	57.90
	Investment income	3.38	4.47
	Benefit paid	(2.15)	(0.45)
	Return on plan assets , excluding amount recognised in net interest expense	0.04	(0.50)
	Fair value of plan assets as at the year end	**62.68**	**61.42**

Amount Rs. in lakhs

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
37.5	**Reconciliation of net asset / (liability) recognized:**		
	Opening Net Liability	142.81	68.52
	Expenses recognized in statement of profit and loss	131.40	136.74
	Amount recognized in other comprehensive income	12.02	(62.13)
	Benefit paid by the Company	-	(0.32)
	Net liability/(asset) recognized in the balance sheet	**286.23**	**142.81**

Amount Rs. in lakhs

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
37.4	**Expenses recognized in the statement of profit and loss**		
	Current service cost	123.55	131.45
	Net interest cost	7.85	5.29
	Net gratuity cost recognized in the current year	**131.40**	**136.74**

Amount Rs. in lakhs

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
37.5	**Expenses recognized in the statement of other comprehensive income (OCI)**		
	Actuarial (gains) / losses :		
	Change in demographic assumptions	(6.49)	(203.08)
	Change in financial assumptions	6.25	155.78
	Experience variance	12.31	(15.33)
	Return on plan assets, excluding amount recognised in net interest expense	(0.04)	0.50
	Total remeasurement cost for the year recognized in OCI	**12.02**	**(62.13)**

Amount Rs. in lakhs

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
37.6	**Sensitivity Analysis:**		
	Delta effect of +1% change in rate of discounting	332.44	193.88
	Delta effect of -1% change in rate of discounting	(366.81)	(215.51)
	Delta effect of +1% change in rate of salary increase	366.32	215.24
	Delta effect of -1% change in rate of salary increase	(332.56)	(193.93)

Amount Rs. in lakhs

	Year	For the year ended 31 March 2021	For the year ended 31 March 2020
37.7	**Maturity analysis of projected benefit obligation**		
	1 year	40.97	19.26
	Sum of years 2 to 5	221.92	125.31
	Sum of years 6 to 10	137.37	92.33
	Sum of years 11 and above	60.73	45.00

Defined contribution plan

The Company contributes towards provident fund for employees which is the defined contribution plan for qualifying employees. Under this Scheme, the Company is required to contribute specified percentage of the payroll cost to fund the benefits. The Company has recognized Rs. 636.47 lakhs and Rs. 490.50 lakhs towards provident fund contributions in the Statement of Profit and Loss for the year ended 31 March 2021 and 31 March 2020, respectively.

38 Leases

Company as lessee

The Company's leased assets primarily consist of leases for head office & branch premises. The Company's long term leases are for a period of 3 to 5 years. The Company has applied short term exemption for leases for branch premises accordingly are excluded from Ind AS 116.

(i) Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Amount Rs. in lakhs

Particulars	**Total**
As at April 2019	**338.61**
Additions	-
Depreciation expenses for the year	113.09
As at March 31, 2020	**225.52**
Additions	-
Depreciation expenses for the year	112.78
As at March 31, 2021	**112.74**

(ii) Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

Amount Rs. in lakhs

Particulars	**Total**
As at April 2019	**335.80**
Additions	-
Accretion of interest	31.29
Payment	131.45
As at March 31, 2020	**235.64**
Additions	-
Accretion of interest	19.92
Payment	131.45
As at March 31, 2021	**124.11**

The maturity analysis of lease liabilities are disclosed in Note 44.
The effective interest rate for lease liabilities is 10.73%, with maturity between 2019-2022

(iii) The following are the amounts recognized in profit or loss: **Amount Rs. in lakhs**

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Depreciation expense of right-of-use assets	112.78	113.09
Interest expense on lease liabilities	19.92	31.29
Expense relating to short-term leases (included in other expenses)	618.63	522.82
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (if any, included in other expenses)	-	-

The Company had total cash outflows for leases of Rs.750.08 lakhs in FY 2020-21 (654.27 Lakhs in FY 2019-20).

39 Segment information

39.1 Business segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM regularly monitors and reviews the operating result of the whole Company as one segment of "Financing". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

39.2 Entity wide disclosures

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in year ended 31 March 2021 and 31 March 2020

The Company operates in single geography i.e. India and therefore, geographical information is not required to be disclosed separately.

40 First time adoption of Ind AS

A First Ind AS Financial statements

These Financial Statement of the Company is the first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2021, the comparative information presented in these financial statements for the year ended 31 March 2020 and in the preparation of an opening Ind AS balance sheet at 1 April 2019 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is as follows:

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemption and mandatory exemption applied in the transition from Indian GAAP to Ind AS. The Company has applied the following exemptions/ exceptions.

(i) Optional exemptions availed

Application of Effective interest rate

As per Ind AS 101 if it is impractical to apply the effective interest method in Ind AS 109 retrospectively, the fair value of financial assets or financial liability at the date of transition to Ind AS is the new gross carrying amount of that financial asset or the new amortized cost of that financial liability. Accordingly, the Company has elected the above exemption of fair value measurement of financial assets or financial liabilities.

Deemed cost for property, plant and equipment, intangible assets and intangible work in progress

The Company has elected to measure property, plant and equipment, intangible assets and intangible work in progress at its Previous GAAP carrying amount and use that Previous GAAP carrying amount as its deemed cost at the date of transition to Ind AS.

Leases

The Company has availed the exemption to assess whether an arrangement contains a lease based on facts and circumstances existing on date of transition to Ind AS.

(ii) Mandatory exceptions applied

Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as on 1 April 2019 are consistent with the estimates as at the same date made in conformity with Indian GAAP, other than estimates for Expected Credit Loss model in accordance with Ind AS at the date of transition as these were not required under Indian GAAP.

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has complied with the same.

Impairment of financial assets

Ind AS 101 provides relaxation from applying the impairment related requirements of Ind AS 109 retrospectively. At the date of transition, it requires an entity to use reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized and compare that to the credit risk at the date of transition to Ind AS or recognize a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is de-recognized, if at the date of transition to Ind AS, determination of credit risk involves undue cost or effort. The Company has elected to apply Ind AS 109 prospectively from the date of transition to Ind AS.

(iv) Equity reconciliation: **Amount Rs. in lakhs**

Particulars	Note	Equity as at 31-Mar-20	Equity as at 01-Apr-19
Equity as per Indian GAAP (A)		**37,086.38**	**17,453.90**
Ind AS Adjustments			
Impact of Financial liabilities & debt securities measured at amortized cost	C.1	1,095.77	688.12
Impact of EIR of loans measured at amortized cost	C.1	(1,912.62)	(889.38)
Impact on account of provision for expected credit loss on financial assets	C.2	(3,684.18)	235.10
Impact on gain on assignment transactions	C.3	3,650.08	-
Impact on account of lease accounting as per Ind AS 116	C.4	(12.07)	-
Impact on account of reclassification of 5% Compulsorily Convertible Non-Cumulative Preference Shares	C.5	(2,917.27)	-
Impact on account of phantom stock option plans	C.6	(3.95)	(1.51)
Deferred tax on above adjustments	C.7	306.49	64.51
Total adjustments		**(3,477.75)**	**96.84**
Equity as per Ind AS (A)		**33,608.63**	**17,550.74**

(v) Reconciliation of total comprehensive income — Amount Rs. in lakhs

Particulars	Note	For the period 1 April 2019 to 31 March 2020
Total net profit after tax as per Indian GAAP		**3,632.46**
Ind AS Adjustments		
Impact of financial liabilities and debt securities measured at amortized cost	C.1	374.45
Impact of EIR of loans measured at amortized cost	C.1	(1,023.25)
Impact on account of provision for expected credit loss on financial assets	C.2	(3,919.28)
Impact on gain on assignment transactions	C.3	3,650.08
Impact on account of lease accounting as per Ind AS 116	C.4	(12.07)
Impact on account of reclassification of compulsorily convertible non-cumulative preference shares	C.5	8.02
Impact on account of phantom stock option plans	C.6	(2.44)
Impact on account of fair valuation of employee stock options and gratuity expenses	C.6	(92.61)
Deferred tax on above adjustments	C.7	257.62
Total adjustments		**(759.48)**
Profit after tax as per Ind AS		**2,872.98**
Other Comprehensive income		
Remeasurement of gains/ (losses) on defined benefit plans		62.13
Deferred tax on above adjustment		(15.64)
Total		**46.49**
Total comprehensive income under Ind AS		**2,919.47**

(vi) Reconciliation of Cash flow for the year ended on 31 March 2020

Amount Rs. in lakhs

Particulars	Previous GAAP for the year ended 31 March 2020	Ind-AS for the year 31 March 2020	Change
Cash flow from operating activities	(67,229.16)	(92,564.48)	25,335.32
Cash flow from investing activities	(205.31)	(1,037.49)	832.18
Cash flow from financing activities	98,896.21	1,25,063.71	(26,167.50)

Explanations to reconciliations

C.1 Interest income and expense measured using effective interest method

Impact of Financial liabilities & Debt securities measured at amortized cost

Under previous GAAP, the transaction costs related to borrowings and debt securities were recognised upfront into the Statement of Profit and Loss. Under Ind AS, such costs are amortized over the contractual term of the borrowings & debt securities and recognized as interest expense using effective interest method in the Statement of Profit and Loss.

Impact of EIR of loans measured at amortized cost

Under previous GAAP, origination fees was recognized on cash basis and transaction cost was recognized on accrual basis upfront. Under Ind AS, such fees and costs is amortized over the expected life of the loan assets and recognized as interest income using effective interest method.

C.2 Impact on account of provision for expected credit loss on financial assets

Under previous GAAP, the Company has created provision for loans and advances based on the Guidelines on prudential norms issued by Reserve Bank of India. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL).

C.3 Impact on account of assignment transactions

The Company enters into assignment transaction and derecognize the assigned portfolio under previous GAAP as it meets derecognition criteria as per previous GAAP. However under Ind AS, the Company derecognise the financial assets and recognize the income upfront on the basis of fair value by discounting the entire interest strip (excess interest spread) of assigned portfolio.

C.4 Impact on account of lease accounting as per Ind AS 116

Under the previous GAAP, lease rentals related to operating lease were accounted as expense in Statement of Profit and Loss. Under Ind AS, lease liability and right of use is recorded at present value of future contractual rent payment on initial date of lease. Subsequently, finance cost is accrued on lease liability and lease payments are recorded by way of reduction in lease liability. ROU is depreciated over the period of lease term.

C.5 Impact on account of re-measurement of compulsorily convertible non-cumulative preference shares

Under the previous GAAP, compulsory convertible non-cumulative preference shares was presented under share capital. Under Ind AS, compulsory convertible non-cumulative preference share into variable number of equity shares is financial liability. Therefore, the Company has recognised the financial liability initially at fair value and subsequently measured at amortised cost. The difference between transaction price and Day 1 fair value has been recognised under other equity as equity component of financial instrument.

C.6 Impact on account of employee benefit plans

- Under the previous GAAP, stock options and phantom stock options plans were recognised on intrinsic value basis. However under Ind AS, the Company measures the compensation cost relating to stock options and phantom stock options plans using the fair value.
- Under the previous GAAP, actuarial gains / losses on defined benefit obligations were recognised in Statement of Profit and Loss. Under Ind AS, remeasurements i.e. actuarial gains and losses are recognised in other comprehensive income.

C.7 Deferred tax

Under the previous GAAP, deferred tax was accounted as per the income statement approach which required creation of deferred tax asset/ liability on timing differences between taxable income and accounting income. Under Ind AS, deferred tax is accounted as per the balance sheet approach which requires creation of deferred tax asset/ liability on temporary differences between the carrying amount of an asset/ liability in the Balance Sheet and its corresponding tax base. The adjustments in equity and net profit, as discussed above, resulted in additional temporary differences on which deferred taxes are calculated.

C.8 Securitisation Arrangement:

The Company has entered into securitization transaction. The Company has de-recognized the securitised assets under previous GAAP as the same meets the de-recognition criteria as per previous GAAP. However, as per Ind AS, as the Company has not transferred substantially all the risks and rewards, the securitized asset has been recognised in the books and a corresponding liability is also recognized. The transferred asset and the corresponding liability are measured on a basis that reflects the rights and obligations that the Company has retained.

41 Following disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been made to the extent information available with the Company :

Amount Rs. in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-	8.64
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
(iv) 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 Micro, Small and Medium Enterprise Development Act, 2006.	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-	-

42 Share based payments

A Employee stock option plan (ESOP)

The company has provided various equity settled share based payment schemes to its employees. On 10 October 2017, the Board of Directors approved the Employee Stock Option Plan ('ESOP') scheme namely ESOP 2017. The details are ESOP scheme are as follows. :-

As at 31 March 2021

Particulars	Grant	Phase	Number of Options granted	Vesting Period (In years)	Vesting Conditions
ESOP Scheme 2017	Grant-I	Phase-I	1,44,625	1 year from grant date	Continuous service
	Grant-I	Phase-II		2 year from grant date	Continuous service
	Grant-I	Phase-III		3 year from grant date	Continuous service
	Grant-II	Phase-I	3,24,481	1 year from grant date	Continuous service
	Grant-II	Phase-II		2 year from grant date	Continuous service
	Grant-II	Phase-III		3 year from grant date	Continuous service
	Grant-III	Phase-I	473753	1 year from grant date	Continuous service
	Grant-III	Phase-II		2 year from grant date	Continuous service
	Grant-III	Phase-III		3 year from grant date	Continuous service
	Grant-IV	Phase-I	7,71,017	1 year from grant date	Continuous service
	Grant-IV	Phase-II		2 year from grant date	Continuous service
	Grant-IV	Phase-III		3 year from grant date	Continuous service

Exercise period for all the above schemes is occurrence of liquidity event which is as follows :-

a.Listing of equity shares on the recognized stock exchange.
b. Strategic Sale event conferring a right of drag along to the Current Shareholders.
c. Offer of purchase of shares from Option Grantees having Vested Options made by an investor.
d. Cash Settlement or Buy-back event whereby the Company makes an offer for settlement of the Vested Options with the Option Grantee or purchase Shares underlying Vested Options.
e. Any other event, which Board may designate as a liquidity event

The expense recognised for employee services received during the year is Rs.55.15 Lakhs.

(i) The following table lists the input to the black Scholes models used for the options granted during the year ended March 31, 2021

Particulars	Grant-I	Grant-II	Grant-III	Grant-IV
Date of Grant	20-11-2017	01-07-2018	15-07-2019	15-07-2020
Date of Board Meeting, where ESOP/ESOS were approved	08-09-2017	08-09-2017	08-09-2017	08-09-2017
Date of shareholders' approval	10-10-2017	10-10-2017	10-10-2017	10-10-2017
Method of settlement	Equity	Equity	Equity	Equity
Graded vesting period				
Exercise period	Occurrence of Liquidity event	Occurrence of Liquidity event	Occurrence of Liquidity event	Occurrence of Liquidity event
Vesting conditions	Continuous service	Continuous service	Continuous service	Continuous service
Weighted average of remaining contractual Life in Years	Dependent upon happening of liquidity event* (assumed to be 5 years for calculation purpose)			

(ii) The details of activity under ESOP Scheme 2017 Plan with an exercise price for the year ended March 31, 2021 have been summarised as below:

Particulars	Grant-I	Grant-II	Grant-III	Grant-IV
Exercise Price per Share (Rs.)	15.91	15.72	20.00	20.00
Number of options Outstanding at the beginning of the year	1,44,625	3,24,481	4,73,753	-
Number of options Granted during the year	-	-	-	7,71,017
Number of Options Exercised during the year	-	-	-	-
Number of Options Lapsed during the year	-	-	-	-
Number of Options outstanding at the end of the year	1,44,625	3,24,481	4,73,753	7,71,017

(iii) Details of Stock Options granted during the year

The weighted fair value of stock option granted during the year was INR 15.91 for Grant I, INR 15.72 for Grant II, INR 20 for Grant III and INR 20 for Grant IV The Black -Scholes Model has been used for computing the weighted average fair value considering the following:

Particulars	Grant-I	Grant-II	Grant-III	Grant-IV
Share price on the date of Grant (Rs.)	15.91	15.72	19.70	19.80
Exercise Price (Rs.)	15.91	15.72	20.00	20.00
Expected Volatility(%)	0%	50%	50%	50%
Life of the options granted in year	For grants vesting in year 1: 3.5 years For grants vesting in year 2: 4.51 years For grants vesting in year 3: 5.51 years	5 year	5 year	5 year
Risk Free Interest Rate(%)	For grants vesting in year 1: 6.62% For grants vesting in year 2: 6.77% For grants vesting in year 3: 6.90%	7.99%p.a.	6.51% p.a	4.94% p.a
Expected dividend rate(%)	0%	0%	0%	0%
Fair Value of the option (Rs.)	4.06	8.47	10.11	9.75

B Other Stock based compensation arrangement

The Company has also granted phantom stock options to certain employees which is subject to certain vesting conditions. Details of the outstanding options/ units as at March 31, 2021 are given below: :-

Particulars	Phantom stock options plan		
	Grant made on 15 September 2018	Grant made on 15 July 2019	Grant made on 15 July 2020
Total no. of units/ shares	48,374	26,247	29,138
Vested units/ shares	-	-	-
Lapsed units/ shares	-	-	-
Forfeited units/ shares	-	-	-
Cancelled units/ shares	-	-	-
Outstanding units/shares as at the end of the year	48,374	26,247	29,138
Contractual life	Dependent upon happening of liquidity event (assumed 5 years)	Dependent upon happening of liquidity event (assumed 5 years)	Dependent upon happening of liquidity event (assumed 5 years)
Date of grant	15-09-2018	15-07-2019	15-07-2020
Price per share/ unit (Rs.)	15.91	20.00	20.00

The fair value of the Phantom Stocks granted have been estimated using Black Scholes model of pricing options. The details of various assumptions / inputs used for the Black Scholes model are given below :

Particulars	As at April 1, 2019	As at March 31, 2020	As at March 31, 2021
Weighted average grant date share price (Rs.)	15.91	21.71	20.82
Weighted average exercise price	INR 22	INR 15.91 for grants made on 15 September 2018 & INR 20.0 for grants made on 15 July 2019	INR 15.91 for grants made on 15 September 2018 & INR 20.0 for grants made on 15 July 2019 and 15 July 2020
Dividend yield %	0%	0%	0%
Expected life	5.00 years from valuation date	5.00 years from valuation date	5.00 years from valuation date
Risk free interest rate	7.05%	5.66%	5.79%
Volatility	50%	50%	50%

Svatantra Microfin Private Limited
Notes to the financial statements for the year ended 31 March 2021

B First time adoption reconciliations

I Reconciliation of Balance Sheet as at March 31, 2020 — **Amount Rs. in lakhs**

Particulars	Previous GAAP	Ind AS Adjustments	Ind AS
Assets			
Cash and cash equivalents	42,041.30	-	42,041.30
Bank balances other than cash and cash equivalents	823.87	-	823.87
Receivables	906.20	-	906.20
Loans	1,98,204.00	8,829.65	2,07,033.65
Other financial assets	7,406.21	(51.84)	7,354.37
	2,49,381.58	**8,777.81**	**2,58,159.39**
Non-financial assets			
Current tax assets (net)	249.23	-	249.23
Deferred tax assets (net)	625.63	306.50	932.13
Property, plant and equipment	821.38	-	821.38
Right of Use assets	-	225.52	225.52
Other intangible assets	194.35	-	194.35
Intangible assets under development	41.01	-	41.01
Other non-financial assets	658.17	17.69	675.86
	2,589.77	**549.71**	**3,139.48**
Total	**2,51,971.35**	**9,327.52**	**2,61,298.87**
Liabilities and Equity			
Liabilities			
Financial liabilities			
Trade Payable	365.17	-	365.17
Debt securities	9,000.00	(235.15)	8,764.85
Borrowings (other than debt securities)	1,99,087.34	12,800.81	2,11,888.15
Other financial liabilities	5,828.19	235.64	6,063.83
	2,14,280.70	**12,801.30**	**2,27,082.00**
Non Financial liabilities			
Provisions	379.68	3.95	383.63
Other non financial liabilities	224.61	-	224.61
	604.29	**3.95**	**608.24**
Equity			
Equity share capital	25,204.69	-	25,204.69
Other equity	11,881.67	(3,477.73)	8,403.94
	37,086.36	**(3,477.73)**	**33,608.63**
Total	**2,51,971.35**	**9,327.52**	**2,61,298.87**

II Reconciliation of Balance Sheet as at April 1, 2019

Amount Rs. in lakhs

Particulars	Previous GAAP	Ind AS Adjustments	Ind AS
Assets			
Cash and cash equivalents	10,579.56	-	10,579.56
Bank balances other than cash and cash equivalents	1.27	-	1.27
Receivables	386.34	-	386.34
Loans	1,16,156.83	(654.28)	1,15,502.55
Other financial assets	862.80	(2.81)	859.99
	1,27,986.80	**(657.09)**	**1,27,329.71**
Non-financial assets			
Current tax assets (net)	116.46	-	116.46
Deferred tax assets (net)	665.78	64.51	730.29
Property, plant and equipment	507.37	-	507.37
Right of Use assets	-	338.61	338.61
Other intangible assets	182.03	-	182.03
Intangible assets under development	67.42	-	67.42
Other non-financial assets	442.79	-	442.79
	1,981.85	**403.12**	**2,384.97**
Total	**1,29,968.65**	**(253.97)**	**1,29,714.68**
Liabilities and Equity			
Liabilities			
Financial liabilities			
Trade Payable	371.06	-	371.06
Debt securities	7,500.00	(232.51)	7,267.49
Borrowings (other than debt securities)	1,02,118.66	(455.61)	1,01,663.05
Other financial liabilities	2,155.59	335.80	2,491.39
	1,12,145.31	**(352.32)**	**1,11,792.99**
Non Financial liabilities			
Provisions	162.90	1.51	164.41
Other non financial liabilities	206.54	-	206.54
	369.44	**1.51**	**370.95**
Equity			
Equity share capital	17,204.69	-	17,204.69
Other equity	249.21	96.84	346.05
	17,453.90	**96.84**	**17,550.74**
Total	**1,29,968.65**	**(253.97)**	**1,29,714.68**

Svatantra Microfin Private Limited
Notes to the financial statements for the year ended 31 March 2021

III Reconciliation of Statement of Profit and loss for the year ended 31 March 2020

Amount Rs. in lakhs

Particulars	Previous GAAP	Ind AS Adjustments	Ind AS
Revenue from operations			
Interest Income	30,070.69	(606.97)	29,463.72
Fees and commission Income	1,408.78	-	1,408.78
Net gain on fair value changes	518.26		518.26
Income from direct assignment	4,044.07	3,650.08	7,694.15
Total revenue from operations	**36,041.80**	**3,043.11**	**39,084.91**
Other income	82.56	0.86	83.42
Total income	**36,124.36**	**3,043.97**	**39,168.33**
Expenses			
Finance costs	16,117.31	38.40	16,155.71
Impairment on financial instruments	1,271.46	3,954.00	5,225.46
Employee Benefits Expenses	9,483.83	92.61	9,576.44
Depreciation, amortization and impairment	442.70	113.09	555.79
Other expenses	3,841.25	(137.03)	3,704.22
Total expenses	**31,156.55**	**4,061.07**	**35,217.62**
	4,967.81	**(1,017.10)**	**3,950.71**
Tax expense			
Current tax	1,295.20	-	1,295.20
Deferred tax	40.15	(257.62)	(217.47)
Profit/(loss) for the year (A)	**3,632.46**	**(759.48)**	**2,872.98**
Other Comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement of the net defined benefit (liability)/asset	-	62.13	62.13
Income tax relating to the above	-	(15.64)	(15.64)
Other comprehensive income/(loss) for the year, net of tax (B)	**-**	**46.49**	**46.49**
Total comprehensive income/(loss) for the year (A+B)	**3,632.46**	**(712.99)**	**2,919.47**

43 Maturity analysis of assets and liabilities

Amount Rs. in lakhs

Assets	**As at 31 March 2021**			**As at 31 March 2020**			**As at 1 April 2019**		
	Within 1 year	**After 1 year**	**Total**	**Within 1 year**	**After 1 year**	**Total**	**Within 1 year**	**After 1 year**	**Total**
Financial assets									
Cash and cash equivalents	63,462.55	-	63,462.55	42,041.30	-	42,041.30	10,579.56	-	10,579.56
Bank balances other than cash and cash equivalents	1,273.48	2,259.73	3,533.21	-	823.87	823.87	-	1.27	1.27
Receivables	608.66	-	608.66	906.20	-	906.20	386.34	-	386.34
Loans	1,76,250.79	1,18,501.18	2,94,751.97	1,02,129.23	1,04,904.41	2,07,033.64	69,472.47	46,030.08	1,15,502.55
Other financial assets	6,141.79	1,499.43	7,641.22	3,618.28	3,736.09	7,354.37	787.93	72.06	859.99
Non financial assets									
Current tax assets (net)	-	-	-	-	249.23	249.23	-	116.46	116.46
Deferred tax assets (net)	-	2,832.86	2,832.86	-	932.13	932.13	-	730.29	730.29
Property, plant and equipment	-	917.76	917.76	-	821.38	821.38	-	507.37	507.37
Right of Use assets	-	182.22	182.22	-	194.35	194.35	-	182.03	182.03
Other intangible assets	-	112.74	112.74	-	225.52	225.52	-	338.61	338.61
Intangible assets under development	-	-	-	-	41.01	41.01	-	67.42	67.42
Other non-financial assets	718.26	-	718.26	675.86	-	675.86	442.79	-	442.79
Total assets	**2,48,455.53**	**1,26,305.92**	**3,74,761.45**	**1,49,370.87**	**1,11,927.99**	**2,61,298.86**	**81,669.09**	**48,045.59**	**1,29,714.68**
Liabilities									
Financial liabilities									
Trade payables									
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,610.29	-	1,610.29	365.17	-	365.17	362.42	-	362.42
Non trade payables									
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-		-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-		8.64	-	8.64
Debt securities	15,635.28	30,029.67	45,664.95	-	8,764.85	8,764.85	-	7,267.49	7,267.49
Borrowings	1,53,985.45	1,06,845.88	2,60,831.33	1,25,060.00	86,828.15	2,11,888.15	49,806.19	51,856.86	1,01,663.05
Other financial liabilities	8,318.22	-	8,318.22	6,063.83	-	6,063.83	2,491.39	-	2,491.39
Non financial liabilities									
Provisions	726.32	9.68	736.00	6.46	377.16	383.62	2.91	161.50	164.41
Other non financial liabilities	367.68	-	367.68	224.61	-	224.61	206.54	-	206.54
Current tax liabilities (net)	35.73	-	35.73						
Total liabilities	**1,80,678.97**	**1,36,885.23**	**3,17,564.20**	**1,31,720.07**	**95,970.16**	**2,27,690.23**	**52,878.08**	**59,285.85**	**1,12,163.93**
Net Equity	**67,776.56**	**(10,579.31)**	**57,197.25**	**17,650.80**	**15,957.83**	**33,608.63**	**28,791.01**	**(11,240.26)**	**17,550.74**

43.1 Asset Liability Management
Maturity pattern of certain items of Assets and Liabilities

(Rs. In Lakhs)

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	8,886.37	3,544.01	261.38	14,491.54	14,775.30	45,458.45	95,015.55	1,18,188.15	2,972.52	2,806.06	3,06,399.34
Investments	-	-	-	-	-	-	-	-	-	-	-
Stock of securities	-	-	-	-	-	-	-	-	-	-	-
Borrowings	1,589.00	4,529.52	7,553.07	10,809.92	16,184.05	40,708.79	88,101.56	1,28,365.49	2,201.91	6,452.96	3,06,496.28
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

44 Comparison between IRACP and impairment allowance made under IND AS 109 **Amount Rs. in lakhs**

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
	Stage 1	3,01,107.96	5,944.64	2,95,163.32	772.45	5,172.19
	Stage 2	7,647.67	3,994.51	3,653.16	67.83	3,926.68
Subtotal		**3,08,755.63**	**9,939.15**	**2,98,816.48**	**840.28**	**9,098.87**
Non performing assets						
More than 90 days	Stage 3	6,712.47	3,307.62	3,404.85	2,797.82	509.80
Subtotal of doubtful		**6,712.47**	**3,307.62**	**3,404.85**	**2,797.82**	**509.80**
Total	Stage 1	3,01,107.96	5,944.64	2,95,163.32	772.45	5,172.19
	Stage 2	7,647.67	3,994.51	3,653.16	67.83	3,926.68
	Stage 3	6,712.47	3,307.62	3,404.85	2,797.82	509.80
	Total	**3,15,468.10**	**13,246.77**	**3,02,221.33**	**3,638.10**	**9,608.67**

Loan Classification as on 31 March 2020 **Amount Rs. in lakhs**

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
	Stage 1	2,17,254.51	4,318.80	2,12,935.71	1,912.37	2,406.43
	Stage 2	260.09	114.84	145.25	2.39	112.45
Subtotal		**2,17,514.60**	**4,433.64**	**2,13,080.96**	**1,914.76**	**2,518.88**
Non performing assets						
More than 90 days	Stage 3	2,334.99	1,188.37	1,146.62	23.07	1,165.30
Subtotal of doubtful		**2,334.99**	**1,188.37**	**1,146.62**	**23.07**	**1,165.30**
Total	Stage 1	2,17,254.51	4,318.80	2,12,935.71	1,912.37	2,406.43
	Stage 2	260.09	114.84	145.25	2.39	112.45
	Stage 3	2,334.99	1,188.37	1,146.62	23.07	1,165.30
	Total	**2,19,849.59**	**5,622.01**	**2,14,227.58**	**1,937.83**	**3,684.18**

45 Corporate social responsibility (CSR) expenditure

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, including special education and employment enhancing vocation skills, eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil air and water. The unspent CSR amount to be utilised in next three financial years for the ongoing projects have been identified during the financial year 2020-21.

a) Amount spent during the year on:

Amount Rs. in lakhs

Particulars	31-Mar-21			31-Mar-20		
	Amount spent	Amount unpaid/ provision	Total	Amount spent	Amount unpaid/ provision	Total
Construction /acquisition of any asset	-	-	-	-	-	-
On purpose other than above	3.59	35.50	39.09	-	6.13	6.13

b) In case of Section 135(5) unspent amount:

Amount Rs. in lakhs

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	Not Applicable	39.09	3.59	35.50

c) In case of Section 135(5) excess amount spent

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
NIL			

d) In case of Section 135(6) details of ongoing projects

Amount Rs. in lakhs

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR unspent Account		From Company's Bank Account	In Separate CSR unspent Account	With Company	In Separate CSR unspent Account
Not Applicable	Not Applicable	39.09	3.59	35.50	Nil	35.50

Svatantra Microfin Private Limited

Notes to the financial statements for the year ended 31 March 2021

The following table sets out the disclosure as required by the notification no. DNBS. 200 /CGM(PK)-2008 dated 1 August 2008 and DNBR. PD. 008/03.10.119/2016-17 dated 1 September 2016 issued by RBI, as amended.

*** Amounts included herein are based on current and previous year financials, as per Ind AS.**

46 Capital to risk assets ratio ('CRAR')

The following table sets forth, for the periods indicated, the details of capital to risk assets ratio under RBI Guidelines:

Particulars	As at 31 March 2021	As at 31 March 2020
i) CRAR (%)	21.88%	20.55%
ii) CRAR – Tier I Capital (%)	17.43%	16.63%
iii) CRAR – Tier II Capital (%)	4.45%	3.92%
iv) Amount of subordinated debt raised as Tier - II debt (Rs. In Crores)	10,016.87	5,842.41
v) Amount raised by issue of PerpetualDebt Instruments	Nil	Nil

47 Investments

There are no investments as of current and previous year end.

48 Derivatives

The Company did not have any transactions in Derivatives.

49 Disclosures relating to Direct Assignment and Securitization

49.1 Disclosures relating to Assignment transaction

During the year, the Company has entered into Direct Assignment ("DA") with a public sector bank ("Assignee") for direct assignment of its portfolio loans provided to various persons from time to time ("Receivables"). This has been duly approved by Board of Directors of SMPL in their meeting held on 29 December 2018. Pursuant to this, following transactions have taken place during the year :

Amount Rs. in Lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Total Sanctioned Receivables	33,711.11	78,479.90
No of accounts (Nos.)	95,281	3,071
Receivables assigned during the year	33,711.11	78,479.90
Minimum retention reserve for the Company	3,371.11	5,432.61
Payment made by Assignee for their purchased share	30,340.00	71,168.69
Income from DA	8,605.54	7,694.15
Additional consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain / loss over net book value	-	-

Further , pursuant to this transaction following closing balances are outstanding in the books of SMPL: **Amount Rs. in Lakhs**

Particulars	As at 31 March 2021	As at 31 March 2020
Payables toward DA transaction	5,020.35	3,796.73
Minimum retention reserve	5,228.32	5,432.61

49.2 Disclosures relating to Securitization transaction

During the year, the Company has entered into Securitization ("Pass Through Certificate") with a public sector bank for Securitization of its portfolio loans provided to various persons from time to time ("Receivables"). This has been duly approved by Board of Directors of SMPL in their meeting held on 26 September 2019 and 28 February 2020. Pursuant to this, following transactions have taken place during the year :

Amount Rs. in Lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
Total Sanctioned Receivables	-	15,357.68
No of accounts (Nos.)	-	795.73
Receivables assigned during the year	-	15,357.68
Securitization reserve for the Company	-	1,811.21
Payment made by Assignee for their purchased share	-	13,546.47
Income from Securitization	1,121.25	482.48
Additional consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain / loss over net book value	-	-

Further , pursuant to this transaction following closing balances are outstanding in the books of SMPL: **Amount Rs. in Lakhs**

Particulars	As at 31 March 2021	As at 31 March 2020
Payables/(Receivable) toward Securitization transaction	(172.18)	1,063.35
Over Securitization	1,811.21	1,811.21

50 Details of non-performing financial assets purchased / sold

The Company has not purchased / sold non-performing financial assets in the current and previous year.

51 Disclosure on Liquidity Risk

Background:

RBI has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019. As per the said guidelines, NBFC are required to publicly disclose the below information related to liquidity risk on a quarterly basis. Accordingly, the disclosure on liquidity risk as at March 31, 2021 is as under:

i) Funding Concentration based on significant counterparty

Number of Significant Counterparties	Rs. In crores	% of Total Deposits	% of Total Liabilities
25	2,695.84	NA	85%

Notes:

- A Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company (NBFC-NDSI), Non-Banking Financial Company - Deposit taking (NBFC-NDS) total liabilities and 10% for other non-deposit taking NBFCs

- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

ii) Top 20 large deposits (amount in Crore and % of total deposits) - Not Applicable

iii) Top 10 borrowings

Rs. In crores	% of Total Borrowings
1,895.14	62%

Note:

Total Borrowing has been computed as Gross Total Debt basis extant regulatory ALM guidelines

iv) Funding Concentration based on significant instrument / Product

Name of the Instrument/Product	Rs. In crores	% of Total Liabilities
Term Loan	2,146.70	68%
Non Convertible Debentures (NCD)	357.20	11%
External Commercial Borrowing (ECB)	167.12	5%
Pass Through Certificate (PTC)	24.82	1%

Note:

A "Significant instrument/product" is defined as a single instrument accounting in aggregate for more than 1% of the NBFC-NDSI's total liabilities.

v) Stock Ratios:

Stock Ratio	%
i) Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	-
ii) Non-convertible debentures (original maturity of less than one year) as a % of total assets	-
iii) Other short-term liabilities as a % of total liabilities	57%
iv) Other short-term liabilities as a % of total assets	48%

Note:

Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial paper less Non-convertible debentures (Original maturity of less than one year), basis extant regulatory ALM guidelines.

vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business.

The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk faced by the Company. The RMC meet as and when required to review and monitor the risks associated with the business of the Company.

The Board of Directors has also constituted Asset Liability Committee (ALCO), which address concerns regarding Asset Liability mismatches of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board.

The main objective of ALCO is to address concerns regarding asset liability mismatches, achieving optimal return on capital employed while maintaining acceptable levels of risk relating to liquidity, address concerns regarding interest rate risk exposure and to do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws. ALCO meetings are held at regular intervals and the minutes of the meeting is placed before the Board of Directors for its perusal/ratification.

52 Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities

Refer note : 43.1

53.0 Exposures

53.1 Exposures to Real Estate Sector

The Company has no exposure to the real estate directly or indirectly in the current and previous year.

53.2 Exposures to Capital Market

The Company has no exposure to the capital market directly or indirectly in the current and previous year.

54 Details of financing of parent company products

The disclosure is not applicable as the Company does not have any holding/parent Company.

55 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

Single Borrower Limit (SGL) / Group Borrower Limit (GBL) has not exceeded the prudential exposure limits during the year by the Company.

56 Unsecured Advances

Refer "Note 5" of Financial statements.

57 Miscellaneous

57.01 Registration obtained from other financial sector regulators

The Company is registered with the following other financial sector regulators:
(i) Ministry of Corporate Affairs

57.02 Disclosure of penalties imposed by RBI and other regulators

No penalty imposed by RBI and other regulators during the current and previous year.

57.03 Related Party Transactions

(i) All material transactions with related parties are disclosed in "Note 32.10" of the Financial Statements.

(ii) The Company has the policy on dealing with Related Party Transactions on its website and it is disclosed on its website www.svatantramicrofin.com.

57.04 Ratings assigned during the year

During the current year, the credit rating agencies have assigned the following credit ratings to the Company:

Particulars	Current Rating	Previous rating
a) MFI Grading-	NIL	M1 (ICRA)
b) Bank loan rating	CRISIL A+(stable)	CRISIL A+(stable)
c) Subordinated Debt of INR 155 Crores	CRISIL A+(stable)	CRISIL A+(stable)
d) Subordinated Debt of INR 75 Crores	ICRA A-(stable)	ICRA A-(stable)
e) NCD of INR 350 Crores	CRISIL A+(stable)	-
f) INR. 100 Crore Short Term Debt	CRISIL A1+	CRISIL A1+
g) Long Term Rating	CRISIL A+(stable)	CRISIL A+(stable)
h) Subordinated Debt of INR 75 Crores	CARE A; (Stable)	CARE A-;
i) NCD of INR 50 Crores	CARE A; (Stable)	-

57.05 Remuneration of Directors

During the year, the Company has not paid any remuneration to it's directors.

57.06 Net Profit or Loss for the year, prior period items and changes in accounting policies

The financial statements for the year ended March 31, 2021 are the first financial statements which has been prepared in accordance with Ind AS and other applicable guidelines issued by the Reserve Bank of India ('RBI'), wherever applicable. Refer note 40 to the financial statements for an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company.

57.07 Revenue Recognition

There are no such circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

57.08 Ind AS 110 -Consolidated Financial Statements (CFS)

The Company does not have any subsidiary company and hence, the CFS is not applicable.

58.00 Additional Disclosures

58.01 Provisions and Contingencies — **Amount Rs. in Lakhs**

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year ended 31-March-2021	For the year ended 31-March-2020
i) Provisions for depreciation on investment	-	-
ii) Provision towards standard asset	5,505.51	3,774.88
iii) Provision for non-performing assets	2,257.61	(54.05)
iv) Provision made towards Income tax (Including deferred tax and earlier period tax adjustments)	2,708.12	2,872.98
v) Other provision and contingencies (employee benefits)	366.15	393.49
vi) Provision on other assets	35.36	-

58.02 Draw Down from Reserves

There have been no drawdown from Reserves.

58.03 Concentration of Deposits, Advances, Exposures and NPAs

59.03.a

Concentration of Deposits (for deposit taking NBFCs)	Rs. In Lakhs
Total Deposits of twenty largest depositors	Not Applicable
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	Not Applicable

59.03.b

Concentration of Advances	Rs. In Lakhs
Total advances of twenty largest depositors	Not Applicable
Percentage of advances of twenty largest depositors to Total Deposits of the NBFC	Not Applicable

59.03.c

Concentration of Exposures	Rs. In Lakhs
Total Exposure to twenty largest borrowers / customers (Including interest accrued and due)	22.99
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	0.00

59.03.d

Concentration of NPAs	Rs. In Lakhs
Total Exposure to top four NPA accounts	2.98

59.03.e Sector-wise NPAs

Sector	% of NPAs to Total Advances
Agriculture & allied activities	1.55%
MSME	2.87%
Corporate borrowers	0.00%
Services	1.39%
Unsecured personal loans	2.94%
Auto Loans	0.00%
Other personal Loans	0.00%

58.04 Movement of NPAs

Amount Rs. in Lakhs

Particulars	As At 31 March 2021	As At 31 March 2020
(i) Net NPAs to Net Advances (%)	1.02%	0.68%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	2,580.59	2,812.48
(b) Additions during the year	3,771.31	1,344.87
(c) Reduction/write off during the year*	(223.04)	(1,576.76)
(d) Closing balance	6,128.86	2,580.59
(iii) Movement of NPAs (Net)		
(a) Opening balance	1,406.33	1,535.42
(b) Additions during the year	1,802.44	770.64
(c) Reduction/write off during the year*	(206.67)	(899.73)
(d) Closing balance	3,002.10	1,406.33
(iv) Movement of provisions for NPAs (excluding provision on standard assets)		
(a) Opening balance	1,174.26	1,277.06
(b) Additions during the year	1,968.87	574.23
(c) Reduction/write off during the year*	(16.37)	(677.03)
(d) Closing balance	3,126.76	1,174.26

* Includes stage upgradations and closures during the year.

58.05 Overseas Assets

During the year, there are no overseas assets in the Company.

58.06 Off-Balance Sheet SPVs sponsored

During the year, there are no off-balance sheet SPVs sponsored by the Company.

Svatantra Microfin Private Limited
Notes to the financial statements for the year ended 31 March 2021

58.07 Customer Complaints

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	30	21
No. of complaints redressed during the year	30	21
No. of complaints pending at the end of the year	-	-

59 The net interest margin (NIM)

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
Average Interest (a)	19.86%	19.17%
Average effective cost of borrowing (b)	11.14%	10.38%
Net Interest Margin (a-b)	8.72%	8.79%

60 Disclosure of frauds reported during the year ended 31 March 2021

Amount Rs. in Lakhs

Particulars	No. of cases	Amount of fraud	Recovery	Pending Settlement	Amount written-of
A) Person Involved					
Staff	196.00	14.90	9.33	5.57	-
Customers	-	-	-	-	-
Staff and Customers	-	-	-	-	-
Outsider	1.00	1.29	1.29	-	-
B) Type of Fraud					
Misappropriation and Criminal Breach of Trust	197.00	16.19	10.62	5.57	-
Fraudulent Encashment/ Manipulation of books of accounts	-	-	-	-	-
Unauthorized Credit/ Facility extended	-	-	-	-	-
Negligence and cash shortages	-	-	-	-	-
Cheating and Forgery	-	-	-	-	-
Others	-	-	-	-	-

61 Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 pertaining to Resolution Framework for COVID-19-related Stress.

Amount Rs. in Lakhs

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal loan	-	-	-	-	-
Corporate loan	-	-	-	-	-
Of which,MSMEs	-	-	-	-	-
Other	20018	5,850.76	-	-	585.08
Total	**20018**	**5,850.76**	**-**	**-**	**585.08**

The Company has recorded expected credit loss on above restructured accounts as per Ind AS. Column E represents additional provision held on such accounts as at 31 March 2021.

62 The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, announced a scheme for COVID-19 Relief for grant of exgratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium as per RBI regulatory package was availed or not. The Company has implemented the Scheme and credited the accounts of or remitted amounts to the eligible borrowers as per the Scheme amounting to Rs. 910.07 lakh. The Company has filed its claim for the ex-gratia with State Bank of India as per the Scheme and has received the entire amount.

63 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

64 Disclosure as required by RBI Circular - RBI / 2019-20/220 DOR No. BP.BC. 63 /21.04.048/2019-20 dated: 17th April, 2020 'COVID19 Regulatory Package - Asset Classification and Provisioning':

Amount Rs. in Lakhs

Particulars	**Amounts**
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3; as of 29 February, 2020 *	130.45
Respective amount where asset classification benefits is extended **	365.46
Provisions made during the Q4 FY 2020 and Q1FY2021 in terms of paragraph 5; ***	36.55
Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6	-

* Represents the overdue principal and interest for customers overdue for 1 - 90 days as on 29 February 2020
** Represents principal outstanding for customers overdue for 1 - 90 days as on 29 February 2020
*** This is inclusive of additional provision made for COVID-19

65 In the opinion of the management, the current assets, non-current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably stated.

66 Balances of certain trade receivables, trade payables, short term loans and advances and long term loans and advances are subject to confirmation and reconciliation if any. The management does not expect any material difference affecting the financial statements on such reconciliation / confirmation.

67 The Company is registered with the Reserve Bank of India (RBI) as a "Non Banking Financial Company- Micro Finance Institution" vide Certificate of Registration dated February 05, 2013.

68 "In terms of Para II of the Non Banking Financial Company Micro Finance Institutions (Reserve Bank) Directions, 2011 as notified vide notification no. DNBR.(PD) CC.No. 047/03.10.119/2015-16 dated July 1, 2015, (as amended up to April 20, 2016) a Micro Finance Institution (MFI) is required to have not less than 85% of its 'Net Assets' in the nature of 'Qualifying Assets'. As at March 31, 2021, the Company is in compliance with this condition as its 'Qualifying Assets' is not less than 85% of its 'Net Assets'.

69 During the current financial year, the Company has maintained an aggregate margin cap of not more than 10% on loans disbursed by it.

70 The disclosure required in terms of paragraph 18 of Chapter IV-prudential regulations under Section II-Prudential Issues of Master Direction- Non-Banking Financial Company-Non-systemically Important Non-Deposit taking Company (Reserve Bank) Direction, 2016 is given in "Annexure I".

71 **Events after the reporting date**
There have been no other events after the reporting date that require disclosure in these financial statements.

Signature to Note 1 to 71

As per our report of even date attached
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg. No.: 121750W / W-100010

Sd/-

Ramesh Gupta
Partner
Membership No. 102306
Place : Mumbai
Date : 29 June 2021

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Sd/-

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 June 2021

Sd/-

Vineet Chattree
Director
DIN No. 07962531
Place : Mumbai
Date : 29 June 2021

Sd/-

Anujeet Varadkar
Chief Executive Officer
Place : Mumbai
Date : 29 June 2021

Sd/-

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 June 2021

Sd/-

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 June 2021

Svatantra Microfin Private Limited

Notes to the financial statements for the year ended 31 March 2021
Restructure Loan Portfolio

61.10 Disclosure on restructuring pursuant to Reserve Bank of India notification DNBS.CO. PD. No. 367/03.10.01/2013-14 dated 23rd January 2014

Amount Rs. in lakhs

Sl. No.	Type of Restructuring	Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others				Total			
	Asset Classification Details	Standard	Sub - Standard	Doubtful	Loss	Standard	Sub - Standard	Doubtful	Loss	Standard	Sub - Standard	Doubtful	Loss	Standard	Sub - Standard	Doubtful	Loss
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers															
		Amount outstanding															
		Provision thereon															
2	Fresh restructuring during the year	No. of borrowers								20018				20018			
		Amount outstanding								5,850.76				5,850.76			
		Provision thereon								585.08				585.08			
3	Upgradations to restructured standard category during the FY	No. of borrowers															
		Amount outstanding															
		Provision thereon															
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers															
		Amount outstanding															
		Provision thereon															
5	Down gradations of restructured accounts during the FY	No. of borrowers															
		Amount outstanding															
		Provision thereon															
6	Write-offs of restructured accounts during the FY	No. of borrowers															
		Amount outstanding															
		Provision thereon															
7	Closed of restructured account during the year	No. of borrowers								374				374			
		Amount outstanding								40.20				40.20			
		Provision thereon								-				-			
8	Collection	Amount outstanding								143.91				143.91			
9	Restructured Accounts as on March 31 of the FY (closing figures)	No. of borrowers								19644				19,644			
		Amount outstanding								5,666.65				5,666.65			
		Provision thereon								585.08				585.08			

"Annexure I"

Svatantra Microfin Private Limited

Schedule to the Balance Sheet of a non deposit taking non banking financial company as on 31 March 2021

Disclosure in terms of Paragraph 19 of Systematically Important Non Banking Financial (Non-Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2016

		Particulars	(Amount Rupees in Lakhs)	
	Liabilities side			
(1)	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid**		**Amount outstanding**	**Amount Overdue**
	(a)	Debentures		
		Secured	25,944.99	Nil
		Unsecured	19,719.96	Nil
		(Other than falling within the meaning of public deposits*)		
	(b)	Deferred credits	Nil	Nil
	(c)	Term loans	2,58,349.79	Nil
	(d)	Inter - corporate loans and borrowings	Nil	Nil
	(e)	Commercial Paper	Nil	Nil
	(f)	Public Deposits*	Nil	Nil
	(g)	Other Loans: Loan from PTC Investors	2,481.54	Nil
	*Refer note no. 1 below			
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**			
	(a)	In the form of Unsecured debentures	Nil	Nil
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
	(c)	Other public deposits	Nil	Nil
	* Please see Note 1 below			

	Asset side		**Amount outstanding (Rupees in Lakhs)**
3	**Break up of loans and advances including bills receivables other than those included in (4) below**		
		(a) Secured	-
		(b) Unsecured	2,94,751.97
4	**Break up of leased assets and stock on hire and hypothecation loans counting towards AFC activities**		
	(i)	Lease assets including lease rentals under sundry debtors :	
		(a) Financial lease	Not applicable
		(b) Operating lease	Not applicable
	(ii)	Stock on the hire including hire charges under sundry debtors :	
		(a) Assets on hire	Not applicable
		(b) Repossessed assets	Not applicable
	(iii)	Other loans counting towards AFC activities	
		(a) Loans where assets have been repossessed	Not applicable
		(b) Loans other than (a) above	Not applicable

5	Break up of investments		Amount outstanding (Rupees in Lakhs)
		Current investments	
	1	Quoted	
		(i) Shares	
		(a) Equity	Nil
		(b) Preference	Nil
		(ii) Debentures and bonds	Nil
		(iii) Units of mutual funds	Nil
		(iv) Government securities	Nil
		(v) Others (please specify)	Nil
	2	Unquoted	
		(i) Shares	
		(a) Equity	Nil
		(b) Preference	Nil
		(ii) Debentures and bonds	Nil
		(iii) Units of mutual funds	Nil
		(iv) Government securities	Nil
		(v) Others (please specify)	Nil
		Long term investments	
	1	**Quoted**	
		(i) Shares	
		(a) Equity	Nil
		(b) Preference	Nil
		(ii) Debentures and bonds	Nil
		(iii) Units of mutual funds	Nil
		(iv) Government securities	Nil
		(v) Others (please specify)	Nil
	2	**Unquoted**	
		(i) Shares	
		(a) Equity	Nil
		(b) Preference	Nil
		(ii) Debentures and bonds	Nil
		(iii) Units of mutual funds	Nil
		(iv) Government securities	Nil
		(v) Others (please specify)	Nil

6	**Borrowers group wise classification of financed as in (3) and (4) above:** Please see Note 2 below				
	Category		**Amount Net of Provisions (Rupees in Lakhs)**		
	1	**Related parties**	**Secured**	**Unsecured**	**Total**
	(a)	Subsidiaries	Nil	Nil	Nil
	(b)	Companies in the same group	Nil	Nil	Nil
	(c)	Other related parties	Nil	Nil	Nil
	2	**Other than related parties**	Nil	2,94,751.97	2,94,751.97
		Total	**Nil**	**2,94,751.97**	**2,94,751.97**

7	**Investor Group Wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):** Please see note 3 below			
	Catego		**Amount outstanding (Rupees in Lakhs)**	
			Market value/ break up of fair value or NAV	**Book value (net of provision)**
	1	**Related parties***		
	(a)	Subsidiaries	Nil	Nil
	(b)	Companies in the same group	Nil	Nil
	(c)	Other related parties	Nil	Nil
	2	**Other than related parties**	**Nil**	**Nil**
		Total	**Nil**	**Nil**

* As per Accounting Standard of ICAI (IND-AS) (Refer note no. 3 below)

8			
	Sr. No.	**Particulars**	**As at 31.3.2021** **(Amount Rupees in Lakhs)**
	(i)	Gross non-performing assets	
	(a)	Related parties	-
	(b)	Other than related parties	6,128.86
	(ii)	Net non-performing assets	
	(a)	Related parties	-
	(b)	Other than related parties	3,002.10
	(iii)	Assets acquired in satisfaction of debts	-

Notes:

1. As defined in point xix of paragraph 3 of Chapter -2 of these Directions.
2. Provisioning norms shall be applicable as prescribed in these Directions.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Sd/-

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 June 2021

Sd/-

Vineet Chattree
Director
DIN No. 07962531
Place : Mumbai
Date : 29 June 2021

Sd/-

Anujeet Varadkar
Chief Executive Officer
Place : Mumbai
Date : 29 June 2021

Sd/-

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 June 2021

Sd/-

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 June 2021