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Auxilo Finserve Private Limited

Fifth Annual Report

2020 - 2021

BOARD OF DIRECTORS

Mr. Manish Chokhani

Independent Director - Chairman

Mr. C Ilango

Independent Director

Mr. Vivek Saraogi

Non-Executive Director

Mr. Akash Bhanshali

Non-Executive Director

Mr. Gautam Jain

Non-Executive Director

Mr. Ashwin Jain

Non-Executive Director

Mr. Neeraj Saxena

Managing Director & CEO

CORPORATE IDENTITY NUMBER

U65990MH2016PTC286516

CHIEF EXECUTIVE OFFICER

Mr. Neeraj Saxena

CHIEF FINANCIAL OFFICER

Mr. Harsha Saksena

COMPANY SECRETARY

Ms. Deepika Thakur Chauhan

CORPORATE AND REGISTERED OFFICE ADDRESS

Auxilo Finserve Pvt. Ltd.
LG, B - 13 and 14, Art Guild House,
Phoenix Market City, LBS Marg, Kurla West,
Mumbai - 400070, Maharashtra, INDIA
Telephone: 022 62463333
Fax: 022 62463334

STATUTORY AUDITORS

Price Waterhouse Chartered Accountants LLP
252, Veer Savarkar Marg, Shivaji Park,Dadar
(West), Mumbai - 400028
Telephone: 022 6689 1000

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C 101, 247 Park, L.B.S.Marg, Vikhroli (West),
Mumbai - 400083.
Telephone: 022 - 4918 6270
Toll-free number : 1800 1020 878

DEBENTURE TRUSTEE

Catalyst Trusteeship Limited
Windsor, 6th Floor, Office No. 604
CST Road, Kalina
Santacruz East, Mumbai 400 098
Telephone – 022 - 49220555

BANKERS

ICICI Bank Limited
AU Small Finance Bank
Bank of Baroda
CSB Bank
Indian Overseas Bank
Bank of India
Indian Bank

BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting the fifth Annual Report on the business and operations of the Company along with the audited accounts for the Financial Year ended March 31, 2021.

REVIEW OF OPERATIONS - FINANCIAL SUMMARY

Your Directors wish you safe and good health as they present the review of your business for the era of its kind where the Globe witnessed shoots of disruption of business and then hope and optimism for its recovery and growth.

While the humanity learnt its lessons for good, the businesses had to struggle to survive. The "Organization agility was once desirable, but now it is central to business survival", the pandemic reversed this norm for the businesses of fast paced economy. Whilst it had become challenging for most businesses to keep their financial wheels turning during this phase of general uncertainty, your company managed to pick up from the second quarter of the financial year and achieve a moderate growth. Your company navigated through the headwinds and tried to make the most of every opportunity it saw.

The previous year when the Company turned to be a Systemically Important Non-Banking Financial Company, the Banking and Financial Services sector suffered lack of liquidity following the aftermath of a few corporate debacles causing enormous economic stress on the sector. Your company therefore ensured to maintain its focus on strong liquidity to support its growth during the Fiscal 2020-21.

The Reserve Bank and the Government of India through its directives to the Financial Services sector tried to alleviate the economic stress caused to the Country at large due to the global pandemic. In the wake of the regulatory changes and uncertainties in the global financial environment, the fiscal year 2020-21 commenced with negligible business to cautiously opening up and actualizing upon every available opportunity. Your company sailed through it all.

With this brief background your directors would like to brief you on the major operational highlights and summarized financial results of your company for the financial year ended 31st March, 2021.

OPERATIONAL HIGHLIGHTS

Particulars	FY 2019-20	FY 2020-21
Education Loans	Rs. 179 Crores	Rs. 78.8 Crores
Number of students added during the Financial Year	855	355
Loans to Educational institutes	Rs. 88 Crore	Rs. 22.9 Crores

SUMMARIZED FINANCIAL RESULTS ARE AS UNDER:

Particulars	March 31, 2020	March 31, 2021	March 31, 2020 (as per financials)
Gross Income	58,84,93,848	75,69,10,720	55,77,89,161
Profit Before Depreciation and Tax	10,80,78,668	15,86,11,760	7,60,38,020
Depreciation	90,52,405	2,66,82,983	2,13,26,079
Profit Before Tax	9,90,26,263	13,19,28,777	5,47,11,941
Provision for Tax	(3,37,202)	3,57,04,328	2,38,83,480
Profit / (Loss) after tax	9,93,63,465	9,62,24,449	3,08,28,461
Less: Transfer to Reserve as per Section 45-IC of the Reserve Bank of India Act, 1934	1,98,72,693	1,92,45,205	1,98,72,693
Balance carried to Balance Sheet	**7,94,90,772**	**7,69,79,244**	**1,09,55,768**

DIVIDEND AND RESERVES

Your Directors do not recommend dividend for the financial year under review and the funds would be utilized for the company's growth.

PROFIT TO BE CARRIED FORWARD TO RESERVES

Your Directors propose to transfer Rs 1,92,45,205 as per Section 45-IC of the Reserve Bank of India Act, 1934 to the Special Reserve of the Company for the year ended on March 31, 2021.

CAPITAL ADEQUACY RATIO

The Company's Capital Adequacy Ratio (CAR) stood at Rs. 36892.16 Lakhs (67.01%) as on March 31, 2021,of which Tier I capital was Rs. 36485 Lakhs (66.27%) and Tier II Capital was 134.82 Lakhs (0.74%). As per regulatory norms, the minimum requirement for the CAR and Tier I capital as March31, 2021 are 15% and 10% respectively.

BOARD OF DIRECTORS

Meetings of the Board:

The Board of Directors of your Company met six times during the financial year under review.

Independent Directors:

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, the same have been taken on record by the Board of Directors. As the Company is a Private Limited Company, theretirement by rotation of directors is not applicable.

Shri. C Ilango was appointed as an Additional Director of the Company on 29th May, 2020 under the category of Independent Director. Subsequently Shri C Ilango's appointment as an Independent Director of the company was approved for a period of five years at the Annual General Meeting of the company held on 22nd July, 2020.

There are no pecuniary transactions between the Directors and the Company except the sitting fees being paid to the Independent Directors for attending the meetings of the Board and its Committee(s). The Board is of the opinion that the independent directors appointed during the year under review are persons of integrity and possess the requisite expertise and experience required for the position and the independent director(s) will give the online proficiency self-assessment test, if required and applicable as per the Companies (Accounts) Rules, 2014, as amended from time to time.

Committees of the Board:

Your Company is a private limited company and a Systemically ImportantNon-Banking Financial Company as per the Reserve Bank of India Guidelines. With an objective toachieve highest standard of Corporate Governance your Company has always had an Independent Directors on Board making the composition of Board of Directors versatile so as to ensure the company makes well thought and informed decisions. Keeping in view the same, the Board also had constituted the Board committees with specific terms of reference to provide an expert view and to recommend the same to the Board.

There are following Sub-Committees of the Board consisting of the Board members themselves

1. The Audit Committee
2. The Nomination and Remuneration Committee and
3. The Executive Committee.
4. The Asset Liability Management Committee
5. The Risk Management Committee

During the year under review following new committees have been constituted

1. IT Strategy Committee
2. Corporate Social Responsibility Committee
3. Borrowing Committee

Audit Committee:

Shri. C Ilango, Shri. Manish Chokhani and Shri. Gautam Jain are the members of the Audit Committee. Shri. Ilango is the Chairman of the Committee. The Audit Committee met five times during the financial year under review. The Board had accepted all the recommendations of the Audit Committee.

Nomination and Remuneration Committee:

The members of the Nomination and Remuneration Committee (NRC) are Shri. Manish Chokhani, Shri. C Ilango and Shri. Gautam Jain with Shri. Vivek Saraogi being the Chairman of the Company. The NRC met twice during the financial year under review and all the members were present except Shri. Manish Chokhani who couldn't attend one of the meetings. The Board had accepted all the recommendations of NRC.

On 23rd January, 2021, the NRC has been reconstituted to designate Shri. Vivek Saraogi as the Chairman and Shri. C Ilango, Shri. Manish Chokhani and Shri. Gautam Jain continue to be the members of the Committee.

Executive Committee:

Shri. Gautam Jain, Non-Executive Director and Shri. Neeraj Saxena, Managing Director and Chief Executive Officer of the Company are the members of the Executive Committee. Shri. Gautam Jain is the Chairman of the Committee. The Executive committee met seven times during the financial year under review and all the members were present at all meetings. The Board had accepted all the recommendation of Executive committee.

Asset Liability Management Committee:

The Constitution of the committee is the Managing Director & Chief Executive Officer (MD & CEO), Chief Financial Officer and Head Credit and Operations of the Company, with MD and CEO being the Chairman of the Committee. The Asset Liability Management Committee met four times during the financial year under review and all the members were present at all meetings. The Board had accepted all the recommendation of Asset Liability Committee.

Risk Management Committee:

Shri. Gautam Jain, Director as the Chairman with Shri. Manish Chokhani, Independent Director, Shri. Neeraj Saxena, Managing Director & Chief Executive Officer and Company's acting Chief Financial Officer, Head – Information Technology and Head – Credit and Operations of the Company as the members constitute the Risk Management Committee. The Risk Management Committee met four times during the financial year under review. The Board had accepted all the recommendation of Risk Management Committee.

IT Strategy Committee

Your Board of Directors constitute an IT Strategy Committee consisting of the following members as per the Reserve Bank of India's directives that is Master Directions Information Technology Framework for the NBFC Sector.

1. Shri. C Ilango, Independent Director
2. Shri. Neeraj Saxena, Managing Director & Chief Executive Officer
3. Shri. Goutham KS, Head – Information Technology

Corporate Social Responsibility Committee:

As per section 135 of the Companies Act, 2013 your Board of Directors constituted the Corporate Social Responsibility Committee as the Net profits of the Company for the previous financial year was more than Rupees Five Crore. Shri. Manish Chokhani, Independent Director as the Chairman with Shri. Gautam Jain, Director, Shri. Neeraj Saxena, Managing Director & Chief Executive Officer of the Company as the members constitute the Corporate Social Responsibility Committee. The CSR Committee met once during the financial year.

Borrowing Committee:

The Borrowing Committee was constituted with Shri. Akash Bhanshali, Director and Shri. Neeraj Saxena, Managing Director and Chief Executive Officer, as the members of the Committee interalia for the purpose of creating, offering, issuing and allotting the Debentures on behalf of the Company and to determine the terms and conditions of the issue of the Debentures of each series/ tranche for the purpose of issuance of the Debentures.

Annual Evaluation of Board:

The Board carried out a formal annual evaluation of its own performance and that of its committees and individual directors. Pursuant to the provisions of the Companies Act, 2013 a structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, execution and performance of specific duties, obligations and governance. The performance evaluation of the Independent Directors was also carried out along with the other Board Members at the Board Meeting. The performance evaluation of the Non-Independent Directors was also carried out by the Independent Directors, separately at their meeting. Your Directors express their satisfaction with the evaluation process.

POLICIES

Remuneration Policy:

The Company has a Board approved Remuneration Policy laying down the standards to:

(a) Establish the remuneration system driven by the strategic objectives of the company

(b) Establish remuneration practices strengthened by the principles of meritocracy and fairness.

(c) Ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

The standards serve as the guidelines for the Nomination and Remuneration Committee of the Board to function. It also provides the guidance to the Company's management and Human Resources Department to follow in its recruitment process.

The Remuneration Policy has been displayed on the website of the company. The link for the same is https://www.auxilo.com/policy.html

Risk Management Policy:

The Company has a board approved Risk Management Policy.

Corporate Social Responsibility Policy:

The Company has a board approved Corporate Social Responsibility Policy laying down the standards to:

(a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy to indicate the corporate social responsibility activities to be undertaken by the company

(b) Recommend the amount of expenditure to be incurred on such activities

(c) Monitor the Corporate Social Responsibility Policy of the company from time to time

CHANGES IN KEY MANAGERIAL PERSONNEL

The changes in the Key Managerial Personnel during the year under review are as follows:
Shri. Raghavendra Prabhu resigned from the position of Chief Financial Officer of the Company with effect from 12th November, 2020 and Shri. Harsha Saksena joined as the Chief Financial Officer with effect from 17th February, 2021.

DEPOSITS

The Company has not accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. Hence there are no deposits unpaid or unclaimed at the end of the year.

STATUTORY AUDITORS

M/s. Price Waterhouse Chartered Accountants LLP (Firm Regis No. 012754N/N500016) were appointed as the Statutory Auditor of the Company for a period of 5 years on 30th September, 2017 at the Annual General Meeting held on 30th September, 2017. M/s. Price Waterhouse Chartered Accountants LLP continues to be the Statutory Auditor of the company.

INTERNAL AUDITORS

Your Board of Directors designated the team consisting of the Chief Financial Officer of the Company in co-ordination with the Chief Manager Accounts to handle in-house internal audit function of the Company. M/s KPMG Assurance and Consulting Services LLP were engaged to provide Co-Source Internal Audit Services to help the Internal Audit Function enhance the quality of Corporate Governance and better respond to the calls for increased and embedded risk management and control.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Mehta and Mehta, practicing company secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed to this Report and does not contain any qualifications

SHARE CAPITAL

During the year under review your Company's Authorized Share Capital remained unchanged at Rs. 20,08,00,00,000/- (Rupees Two Thousand and Eight Crores). The Paid up Share Capital of the company as at 31st March, 2021 stood at Rs. 344,06,21,530/- (Rupees Three Forty-Four Crores Six Lakhs Twenty On Thousand Five Hundred Thirty Only).

The total paid up Equity Capital of the Company has remained unchanged at Rs. 344,06,21,530/- (Rupees Three Forty-Four Crores Six Lakhs Twenty On Thousand Five Hundred Thirty Only) as on 31st March, 2021.

0.001% Optionally Convertible Preference Shares -

During the year under review, the company received the call money towards 26,666,667 Class A Optionally Convertible Preference Shares of Rs. 9.91/- each, aggregating to Rs. 2,64,26,670 (Rupees Two Crores Sixty-Four Lakhs Twenty-Six Thousand Six Hundred Seventy only) making it fully paid. The Paid up Preference share capital of the Company consisting of Class A, Class B and Class C stands at Rs. 2,72,26,585/- (Rupees Two Crores Seventy-Two Lakhs Twenty-Six Thousand Five Hundred Eighty Five Only). The Preference Share Capital being subscribed by Shri. Neeraj Saxena, Managing Director and Chief Executive Officer of the Company is treated as part of Employee Stock option issued by the Company.

DEBENTURES

During the year under review your company has issued and allotted the following listed rated, unsecured, senior, redeemable, taxable, transferable, unlisted, non-convertible debentures

Sr. No	Name of the Debenture holder	Number of unit	Nominal amount per unit	Total amount
1	Indian Overseas Bank	100	10,00,000	10,00,00,000
2	AU Small Finance Bank Limited	250	10,00,000	25,00,00,000
3	Bank of India	350	10,00,000	35,00,00,000
4	Indian Bank	250	10,00,000	25,00,00,000
5	Unifi AIF	2,200	1,00,000	22,00,00,000

CREDIT RATING

During the financial year 2020-21, CARE Limited assigned the following credit ratings to the borrowings of the Company:

Instruments/ Facilities	Amount (Rs. Crores)	Rating	Rating Action
Non – Convertible Debentures	125	CARE A-; Stable (Single A Minus; Outlook: Stable)	Reaffirmed
Market linked Debentures	22	CARE PP MLD A-; Stable (Principal Protected Market Linked Debentures Single A Minus; Outlook: Stable)	Reaffirmed
Long Terms Bank Facilities	400	CARE A-; Stable (Single A Minus; Outlook: Stable)	Reaffirmed

On April 9, 2021 CRISIL Ratings Limited also assigned the following credit ratings of the Company:

Instruments/ Facilities	Amount (Rs. Crores)	Rating
Proposed Long Terms Bank Facilities	500	CRISIL A/ Stable
Proposed Commercial Papers	50	CRISIL A1

EMPLOYEE STOCK OPTIONS

The Company has Employee Stock Option Plan 2017 ("ESOP 2017" or "the Scheme") with a pool of 1,20,00,000 Employee Stock Options convertible into equivalent number of equity shares of face value of Rs.10 each. The exercise price under the scheme is the fair market value as determined by the valuer appointed by the Board at the time of grant. The Scheme as approved authorizes the Nomination and Remuneration Committee to administer the same.

Below mentioned are the details of Employee Stock Option Plan, 2017:

1. Options granted: 1,07,55,000
2. Options vested: NIL
3. Options exercised: NIL
4. Options lapsed: 15,20,000 (Forms part of the pool)
5. Total number of shares arising as a result of exercise of option: 92,35,000
6. Exercise price: Exercise price is the 'Fair Market Value' of the shares of the Company as determined by an independent valuer appointed by the Company for each grant
7. Variation of terms of option: - The terms of options has not been varied
8. Money realised by exercise of options: No options have been exercised during the year under review
9. Total number of options in force: 92,35,000

The following 8,00,000 Preference Shares, in the nature of Optionally convertible, Cumulative and Non participatory classified into Class A, Class B and Class C, subscribed to by the Managing Director and Chief Executive Officer of the Company in the financial year 2017-18 are treated as Employee Stock Options as per the Indian Accounting Standards, details of which are provided in the notes to the financial statements

Sr. No	Particulars	Treatment
1	26,66,667 Class A 0.001% Optionally Convertible Preference Shares (Fully paid up)	ESOP
2	26,66,666 Class B 0.001% Optionally Convertible Preference Shares (Partly Paid up)	ESOP
3	26,66,666 Class C 0.001% Optionally Convertible Preference Shares (Partly paid up)	ESOP

Employee wise details of options granted during the year under review

i. Key Managerial Personnel:

Sr. No	Key Managerial Personnel	No. of options granted
NIL		

ii. Any other employee who received a grant of options in any one year of option amounting to five percent or more of options granted during that year

Sr. No	Name of the Employee	No. of options granted
NIL		

iii. Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversion) of the company at the time of grant - NIL

EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT–9, as required under Section 92 of the Companies Act, 2013, is included in this Report as Annexure – A and forms an integral part of this Report.

The annual return of the company has been placed on the website of the company. The following is web link for the same: https://www.auxilo.com/corporate-governance

COMPANIES WHICH HAVE BECOME OR CEASED TO BECOME SUBSIDIARIES/JOINT VENTURE/ ASSOCIATE COMPANY

M/s Balrampur Chini Mills Limited's (BCML) investment being to the tune of 45.05% equity shareholding in your company, your Company continues to be the associate company of BCML by virtue of BCML having the significant influence on your company in terms of the provisions of the Companies Act, 2013.

Your company is the associate company of M/s Elme Advisors LLP (Elme) by virtue of Elme having the significant influence on your company in terms of the provisions of the Companies Act, 2013

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company being a Non-Banking Financial Company registered with the Reserve Bank of India has the exemption from the provisions of section 186 of the Companies Act, 2013 and rules thereunder for the purpose of grant of loans. The Company in the ordinary course of business grants Loans for higher education to the students and loans to the Educational institutions in the ordinary course of business details of which are provided under the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Your company has not entered into any contract or arrangement with related parties referred under the provisions of Section 188 of the Companies Act, 2013, during the financial year 2020-21 requiring disclosure in Form No. AOC2 (Annexure B), as prescribed under Rule 8(2) of the Companies (Accounts) Rules, 2014. Details of other related party transactions are provided in the notes to the financial statements. The Company's Policy on dealing with Related Party Transactions is available on the company's website – www.auxilo.com

EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE OR DISCLAIMERS MADE:

AUDITORS' REPORT:

There were no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors of the company in their audit report.

There is no Fraud reported by auditors under sub-section (12) of section 143

SECRETARIAL AUDIT REPORT:

There were no qualifications, reservation or adverse comments made by the Secretarial Auditor of the company in their audit report for the Financial Year 2020-21.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management, their genuine concerns about behavior of employees, if any, or report about the unethical behavior by using the mechanism provided in the Whistle Blower Policy. During the financial year 2020-21, no cases under this mechanism were reported to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your directors state 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; and
(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.

GOING CONCERN ASSESSMENT

The Company's annual accounts have been prepared on a going concern basis.

The sense of caution, low sentiment and low economic activity spilling over from the previous financial year due to COVID19 continued in the current financial year leading to a drop in business as was envisaged. The students pursuing their higher education studies abroad had put their plans on-hold as well as the schools/colleges remained shut as these institutions were not well equipped either technologically or financially to move their services online. Your company's business, therefore, in both the segments has been impacted, yet it was able to achieve a reasonable disbursement during the period under review.

While these uncertainties due to Covid-19 pandemic impacted the education loan segment your directors are optimistic that Financial year 2021-22 will flare well as the world now has the experience of dealing with the pandemic and so is your company. The universities in countries like United States of America, United Kingdom, Ireland, Canada have opened up for international students to pursue their higher educations. International universities trying to improve the quantum of admissions in their colleges, offering special concessions for international students, providing the courses in a blended format (online/offline), creating virtual networking and recruitment events, and providing quarantine accommodations, indicate towards an increase in the demand for education loans.

The disbursement for the Education Institution Loans (EIL) during the financial year under review has been reasonable. The Government initiatives through ECLG Scheme has uplifted the confidence of the small businesses and the portfolio for EIL witnessed a steady repayment with insignificant NPAs.

Your Company has sufficient liquidity to comfortably tide over any disruption caused during the year under review.

The management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Company.

The outlook of the Company for the year ahead after COVID pandemic is to drive profitable growth, robust quality assets and continue to focus on its primary products that is Education Loan and Education Institution Loan to meet the changing customer needs and will leverage technology to deliver better customer experience.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Risk Control matrices, process, guidelines and procedures that augment the internal controls are well documented. The same are tested by the management to establish their existences and effectiveness for the review period in order to identify, the deficiencies such as design deficiency, operating deficiency and significant deficiency. No significant deficiencies have been observedthe management testing. Thus your Company maintains adequate internal control systems commensurate to the nature of business, size and complexity of its operations.

The internal control system is designed to ensure maintenance of proper accounting controls, monitoring of operations, protection and conservation of assets and compliances with applicable laws and regulations. These controls ensure that financial and other records are reliable for preparing financial statements and other information.

The Risk Management Committee of the Board is responsible to review the risk concerning any aspect of the business, operational or otherwise and to take corrective measures. The Committee is responsible to recommend improvement in effectiveness of risk management, control and governance process of the company, if necessary, keeping in mind the Company's requirements, growth prospects and ever evolving business environment. This system facilitates timely detection and plugging of anomalies, if any, by various business functions.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company a Board approved policy for prevention of Sexual Harassment at work place in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees are covered under the policy. The Company has constituted Internal Complaints Committee (ICC) under the provision of the said act. No compliant was received from any employee during the financial year 2020-21 and hence no complaint is outstanding as on 31.03.2021 for redressal.

SECRETARIAL STANDARDS / REGULATORY GUIDELINES

Your Company has complied with the applicable provisions of Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India and the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 prescribed by RBI regarding accounting standards, prudential norms for asset classification, income recognition, provisioning, capital adequacy, etc.

There was no change in nature of business of your company during the financial Year 2020-21.

There have been no material changes or commitment between the end of the financial year of the company to which financial statement relates and the date of the report.

During the year there have been no significant orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operation in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in herein.

Conservation of Energy	Not applicable
Technology Absorption	Not applicable
Foreign Exchange Earnings	Nil
Foreign Exchange Outgo	Nil

Your Company's website address is https://www.auxilo.com/

ACKNOWLEDGEMENTS

Your Directors wish to place on record the appreciation and gratitude for the support extended by the Regulators, Reserve Bank of India, Securities Exchange Board of India, Ministry of Corporate Affairs, Stock Exchange, Bankers, other Lenders and other stakeholders for their continued support and guidance especially in an unprecedented times like that of a pandemic which stretched across the globe. Your Board of Directors would also like to take this opportunity to thank the Company's customers, shareholders, debenture holders and the employees to have reposed faith in the Company. Special mention for the employees and business associates for their dedication and commitment, team play and professionalism in maintaining the company continue to deliver its services.

Your Directors would like to express their immense respect for everybody who compromised on their own safety to fight against the pandemic.

For and on behalf of the Board of Directors

Shri. Manish Chokhani
Chairman
DIN -
Shri. Neeraj Saxena
Managing Director and CEO
DIN –
Place – Mumbai   Date – 12th May, 2021

Annexure – A

MGT-9

EXTRACT OF ANNUAL RETURN
As on the Financial Year ended on 31st March, 2021

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

I. REGISTRATION AND OTHER DETAILS:

SR. NO.	PARTICULARS	
i)	CIN	U65990MH2016PTC286516
ii)	Registration No.	286516
iii)	Name of the Company	M/s. Auxilo Finserve Private Limited
iv)	Category / Sub-Category of the Company	Company limited by Shares / Non-govt company
v)	Address of the Registered office and contact details	LG-B-13 & 14, Lower Ground Floor, Art Guild House, Kurla West, LBS Marg, Mumbai - 400070
vi)	Whether listed company (Yes / No)	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400083 Phone: 022 4918 6000

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY: To provide financial services and ancillary services

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	To provide education loan and educational institutional loans	64920	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	Name and address of the company	CIN /GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
	NIL				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	15,50,00,000	-	15,50,00,000	45.05 %	15,50,00,000	-	15,50,00,000	45.05 %	45.05%
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	15,50,00,000	**-**	15,50,00,000	**45.05 %**	**15,50,00,000**	**-**	**15,50,00,000**	**45.05 %**	**45.05%**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	34,062,153	-	34,062,153	9.90	34,062,153	-	34,062,153	9.90	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt (s)	-	-	-	-	-	-	-	-	-

e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h)Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	34,062,153	-	34,062,153	9.90%	34,062,153	-	34,062,153	9.90%	-
2.Non-Institutions									
a) Bodies Corp.									
i) Indian	**15,50,00,000**	-	**15,50,00,000**	**45.05%**	**15,50,00,000**	-	**15,50,00,000**	**45.05%**	**45.05%**
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders Holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c)Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	**15,50,00,000**	-	**15,50,00,000**	**45.05%**	**15,50,00,000**	-	**15,50,00,000**	**45.05%**	**45.05%**
Total Public Shareholding (B)=(B)(1) + (B)(2)	**18,90,62,153**	-	**18,90,62,153**	**54.95%**	**18,90,62,153**	-	**18,90,62,153**	**54.95%**	**54.95%**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**34,40,62,153**	-	**34,40,62,153**	**100%**	**34,40,62,153**	-	**34,40,62,153**	**100%**	-

(ii) Shareholding of Promoters

Sr. No.	**Shareholder's Name**	**Shareholding at the beginning of the year**			**Shareholding at the end of the year**			**% change in share holding During the year**
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M/s. Elme Advisors LLP	15,50,00,000	45.05%	-	15,50,00,000	45.05%	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	15,50,00,000	45.05%	15,50,00,000	45.05%
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31/03/2021		15,50,00,000	45.05%	15,50,00,000	45.05%

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

Sr. No.	Name of Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**M/s. Balrampur Chini Mills Limited**						
	At the beginning of the year	-	-	15,50,00,000	45.05%	15,50,00,000	45.05%
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2021		15,50,00,000	45.05%	15,50,00,000	45.05%
2	**M/s ICICI Bank Limited**						
	At the beginning of the year	-	-	3,40,62,153	9.90%	3,40,62,153	9.90%
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2021		3,40,62,153	9.90%	3,40,62,153	9.90%

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-		-	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2021		-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,07,02,65,151	25,00,00,000	-	2,32,02,65,151
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	26,63,320	69,159	-	27,32,479
Total (i+ii+iii)	**2,07,29,28,471**	**25,00,69,159**	**-**	**2,32,29,97,630**
Change in Indebtedness during the financial year				
• Addition	1,37,00,00,000	-	-	1,37,00,00,000
• Reduction	78,51,51,712	25,00,00,000	-	1,03,51,51,712
Net Change	58,48,48,288	-25,00,00,000	-	33,48,48,288
Indebtedness at the end of the financial year				
i) Principal Amount	2,65,51,13,439	-	-	2,65,51,13,439
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6,83,38,735	-	-	6,83,38,735
Total (i+ii+iii)	**2,72,34,52,174**	**-**	**-**	**2,72,34,52,174**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total
		Shri. Neeraj Saxena - Managing Director & CEO	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 3,49,81,392	Rs. 3,49,81,392
	(b) Value of perquisites u/s 17(2)Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option*	40,00,000 (Granted in the FY 2017-18)	40,00,000
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
	- others, specify		
5	Others, please specify	-	-
	Total (A)	3,49,81,392	3,49,81,392
	Ceiling as per the Act	-	-

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of the Director		Total Amount
		Shri. Ilango - Independent Director	Shri. Manish Chokhani - Independent Director	
1	Independent Directors			
	• Commission	-	-	-
	• Others, please specify	-	-	-
	• Fee for attending board / committee Meetings	4,00,000	3,80,000	7,80,000
	Total (1)	4,00,000	3,80,000	7,80,000
2	Other Non-Executive Directors			
	• Fee for attending board / committee Meetings	-	-	-
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total (2)			
	Total (B)=(1+2)			
	Total Managerial Remuneration	**4,00,000**	**3,80,000**	**7,80,000**
	Overall Ceiling as per the Act			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD:

		CEO	**Company Secretary**	**CFO**		**Total**
			Ms. Deepika Thakur Chauhan	**Shri. Raghavendra Prabhu Until 11th November, 2020**	**Shri. Harsha Saksena From 23rd January, 2021**	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	Rs. 2499792	Rs. 3293621	Rs. 824535	Rs. 66,17,948

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	Rs. 84000			Rs. 84000
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-		-
2	Stock Option *	-	150,000 (granted in the FY 2017-18)			1,50,000
3	Sweat Equity	-	-	-		-
4	Commission	-	-	-		-
	- as % of profit					
	- others, specify					
5	Others, please specify	-	-	-		-
	Total	-	**Rs. 25,83,792**	**Rs. 32,93,621**	Rs. **8,24,535**	Rs. 6701948

*Stock options indicated under VI A and C were not granted during the Financial year 2020-21

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	**Section of the Companies Act**	**Brief Description**	**Details of Penalty / Punishment/ Compounding fees imposed**	**Authority [RD / NCLT/ COURT]**	**Appeal made, if any (give Details)**
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors

Shri. Manish Chokhani
Chairman
DIN -
Shri. Neeraj Saxena
Managing Director and CEO
DIN –
Place – Mumbai   Date – 12th May, 2021

Annexure – B

AOC 2

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

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

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

There were no arrangement or transactions whatsoever entered into by the Company with any of the related parties. All the other contracts or arrangements or transactions entered into by the company were on arm's length basis.

(a)	Name(s) of the related party and nature of relationship	NA
(b)	Nature of contracts/arrangements/transactions	NA
(c)	Duration of the contracts/arrangements/transactions	NA
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date of approval by the Board	NA
(g)	Amount paid as advances, if any:	NA
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	NA

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

The company has not entered into any contract of material nature which falls within the provisions of Section 188 of the Companies Act 2013

(a)	Name(s) of the related party and nature of relationship	NA
(b)	Nature of contracts/arrangements/transactions	NA
(c)	Duration of the contracts/arrangements/transactions	NA
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	NA
(e)	Date(s) of approval by the Board, if any:	
(f)	Amount paid as advances, if any:	NA

For and on behalf of the Board of Directors

Shri. Manish Chokhani
Chairman
DIN -
Shri. Neeraj Saxena
Managing Director and CEO
DIN –
Place – Mumbai   Date – 12th May, 2021

Mehta & Mehta

COMPANY SECRETARIES

201-206, SHIV SMRITI, 2ND FLOOR, 49/A, DR. ANNIE BESANT ROAD, ABOVE CORPORATION BANK, WORLI, MUMBAI-400 018
TEL.: +91-22-6611 9696 • E-mail: dipti@mehta-mehta.com • Visit us : www.mehta-mehta.com

AUTHORISED AGENTS FOR TRADEMARK, COPYRIGHT AND PATENT

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 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,
AUXILO FINSERVE PRIVATE LIMITED,
LG, B - 13 and 14, Art Guild House,
Phoenix Market City, LBS Marg, Kurla West,
Mumbai - 400070

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Auxilo Finserve 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 compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 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**(applicable to the Company effective from June 17, 2020)**;

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(during the period under review not applicable to the Company)**;

ATUL MEHTA * CP NO. 2486 * Company Secretaries

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011**(applicable to the Company effective from June 17, 2020)**;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading)Regulations, 2015**(applicable to the Company effective from June 17, 2020)**;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**(during the period under review not applicable to the Company)**;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits)Regulations, 2014**(applicable to the Company effective from June 17, 2020)**;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client**(during the period under review not applicable to the Company);**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(during the period under review not applicable to the Company);**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018**(during the period under review not applicable to the Company).**

(vi) Non-Banking Financial Company - Systemically Important Non-Deposit taking Company taking Company (Reserve Bank) Directions, 2016.

(vii) Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016.

(viii) Master Direction - Non-Banking Financial Companies Acceptance Of Public Deposits (Reserve Bank) Directions, 2016.

(ix) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016.

(x) Master Direction - Information Technology Framework for the NBFC Sector.

(xi) Master Direction - Monitoring of Frauds in NBFCS (Reserve Bank) Directions, 2016.

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

a) Secretarial Standards issued by the Institute of Company Secretaries of India;

ATUL MEHTA * Company Secretaries * CP NO. 2486

b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**(applicable to the Company effective from June 17, 2020)**;

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

We further report that:

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company had the following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- The Borrowing Committee at its meetings passed the following resolutions:

Sr No	Particulars of Resolution	Date of meeting
1.	Issuance of 250 secured rated listed Redeemable Non Convertible Debentures of Rs. 10,00,000 (Rupees Ten Lakhs only) on private Placement to AU Small Finance Bank Limited	June 18, 2020
2.	Allotment of 250 secured rated listed Redeemable Non Convertible Debentures of Rs. 10,00,000 (Rupees Ten Lakhs only) on private Placement to AU Small Finance Bank Limited	June 23, 2020
3.	Issuance of 2,200 Secured rated listed redeemable taxable, principle protected market linkedNon Convertible Debentures of Rs. 1,00,000 (Rupees One Lakh Only) on private placement basis to Unifi AIF	September 11, 2020

ATUL MEHTA * CP NO. 2486 * Company Secretaries

4.	Allotment of 2,200 Secured rated listed redeemable taxable, principle protected market linked Non Convertible Debentures of Rs. 1,00,000 (Rupees One Lakh Only) on private placement basis to Unifi AIF	September 16, 2020

The Finance Committee at its meetings passed the following resolutions:

Sr No	Particulars of Resolution	Date of meeting
1.	Issue and allotment of 100 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/- each in one or more series on private placement basis aggregating to Rs. 10,00,00,000/-	May 29, 2020
2.	Allotment of 100 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/- each on private placement basis aggregating to Rs. 10,00,00,000/- to Indian Overseas Bank	June 01, 2020
3.	Issuance of 350 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/ on private placement basis to Bank of India	June 25, 2020
4.	Allotment of 350 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/ on private placement basis to Bank of India	June 26, 2020
5.	Issuance of 250 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/ on private placement basis to Indian Bank	July 28, 2020
6.	Allotment of 250 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/ on private placement basis to Indian Bank	July 30, 2020

The Nomination and Remuneration Committee at their meeting held on June 08, 2020 has granted 4,50,000 Employee Stock Options to the eligible employees under the Employee Stock Option Plan (ESOP) 2017 of the Company;

ATUL MEHTA CP NO. 2486 Company Secretaries

- The members of the Company at their Annual general meeting held on July 22, 2020 approved the issuance of Non-Convertible Debentures not exceeding 200 Crores in one or more tranches.

Note: Due to lockdown under COVID-19, Certification on this Form MR-3 is done on basis of the documents made available to us in the electronic form (i.e.Share driveon internet) by the Secretarial Team of the Company and such documents will be verified physically after the lockdown is lifted.

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

ATUL MEHTA
CP No.
2486
Company Secretaries

Atul Mehta
Partner

PCS No: 5782
CP No: 2486

Place: Mumbai
Date: 30th April, 2021

UDIN: F005782C000218698

Note: This report is to be read with our letter of even date which is annexed as '**ANNEXURE A**' and forms an integral part of this report.

To,
The Members,
AUXILO FINSERVE PRIVATE LIMITED,
LG, B - 13 and 14, Art Guild House,
Phoenix Market City, LBS Marg, Kurla West,
Mumbai - 400070

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

1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in point vi to xi of our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

7) 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 Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

ATUL MEHTA
CP No. 2486
Company Secretaries

Atul Mehta
Partner

PCS No: 5782
CP No: 2486

Place: Mumbai
Date: 30th April, 2021

UDIN: F005782C000218698

MANAGEMENT DISCUSSION AND ANALYSIS

PREAMBLE

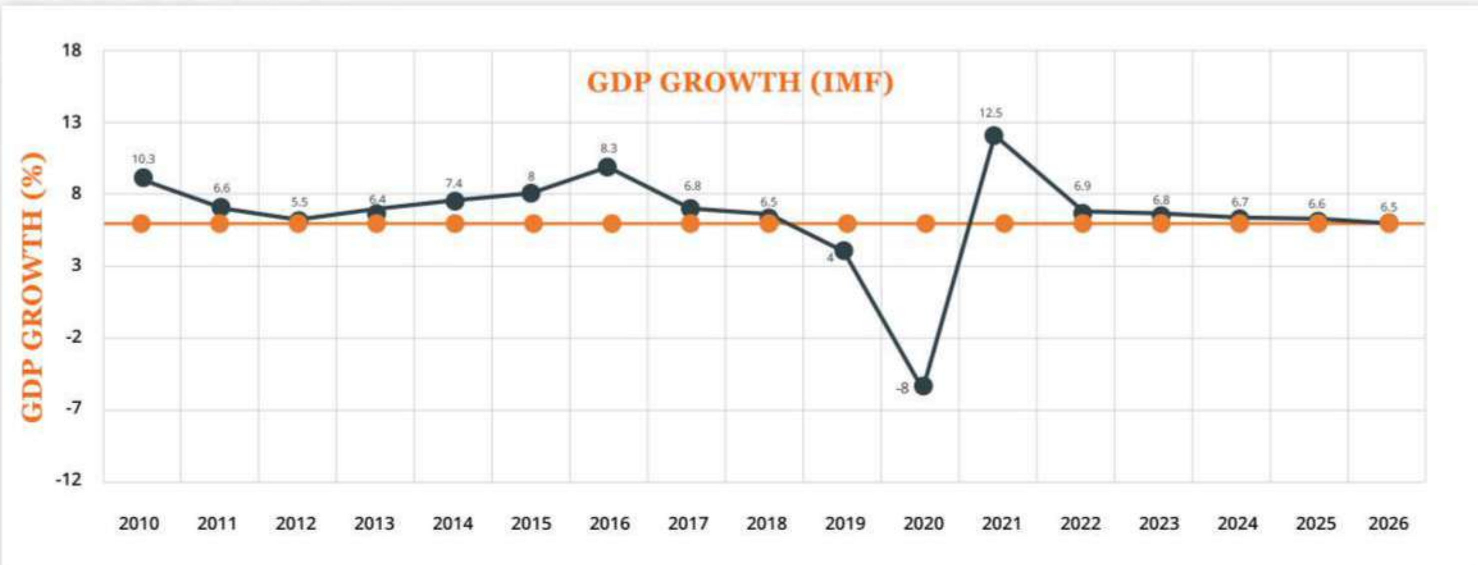
Auxilo Finserve Private Limited "Auxilo" was formed on October 4, 2016 and was earlier known as Stellenyak General Finance Private Limited. Auxilo has been granted the Certificate of Registration by the Reserve Bank of India to carry on the business of NBFC (Non-Deposit) on May 3, 2017. The Company commenced its operations in October 2017.

Auxilo is a pro-education NBFC poised to serve the financing gaps in the Indian education sector, focusing on students and scaling the education infrastructure through innovative financial solution delivery. We endeavour to create a brand that is trusted and respected in the education finance space

INDIAN ECONOMY - IMPACT OF THE PANDEMIC

The fiscal year 2020-21 turned out to be a tumultuous year for the financial services sector and the Indian economy

At the start of FY20-21, the CRISIL research expected the GDP growth at 1.8%, with the risks tilted towards the downside scenario of zero GDP growth[1].But the reality of India's GDP growth has been dreadful. The Covid-19 Crisis brought on India's fourth Recession since independence and the first since liberalisation[3]. Being unique in its nature, the Coronavirus pandemic was able to disperse supply-side and demand-side shocks, leading to the overall disruption of the economic activity within the country[5]. Due to these shocks, in its recent report, the World Bank estimated a GDP contraction of 8.5% for FY20-21[2]. The below graph shows India's GDP growth since 2010 as per IMF Records:



Since the debacle of FY19-20 due to few leading finance companies defaulting on their loan repayment to their lenders, NBFCs are constantly facing problems with managing their liquidity positions due to multiple factors such as increased borrowing costs, asset-liability mismatches, repricing risks, nature of assets, etc. And just when the liquidity scenario started showing green shoots, the Government of India imposed a nationwide lockdown to contain the spread of Coronavirus, which led to restrictions in economic activities. Due to such measures, social and economic life came to a standstill. Hence, a 23.9% contraction was observed in the GDP figures of Q1 (FY20-21).

To support the economic growth and combat the liquidity crunch during the Covid-19 crisis, the Government of India (GOI) and Reserve Bank India (RBI) announced an economic stimulus package to the tune of ₹20-Lakh-crore, which includes ₹8.01 lakh crore of liquidity measures announced by RBI[9].By injecting enough liquidity, which stands at ₹5.5 lakh crores for the week ended April 16, 2021[17], through monetary policy and other economic stimulus operations such as loan moratorium and credit guarantee schemes, GOI & RBI made sure that the consumption and private investment pillars of the GDP stand strong during such unprecedented times. Hence, the GDP showed a V-shaped recovery with Q2 (FY20-21) GDP at -7.5%7, which could also be attributed to the phase-wise unlock measures implemented by GOI. As per the RBI press release in Feb'21, the economic indicators show signs of recovery with consumer confidence reviving and business expectations of manufacturing, services, and infrastructure remain upbeat[12].

As we venture into FY21-22, the second wave of Coronavirus has hit the country. Due to unimaginable spikes in Covid-19 cases, some of the states have applied complete lockdown. Though there is enough liquidity in the market, if the lockdown continues, the aggregate demand is bound to dip, thereby reducing loans for individual consumption and investment-related activities. Though the financing requirements will contract in the short run, the education financing sector will be one of the initial sectors that would bounce back in the long run because expenditure on education is considered an inelastic demand to the market conditions in the Indian household.

EDUCATION SECTOR - OPPRTUNITIES & THREATS

India is evolving to become a knowledge-based economy, wherein human capital with specialized skills is its major strength.

With India having the largest population globally with about ~500 million in the age bracket of 5-24 years16 presents large number of opportunities in the education space supported a by strong cultural affinity towards educating the next generation. The increase in demand across all levels of education is driving the expansion of education infrastructure across semi-urban and rural centres. Similarly, India has around 3.7[16] crore students pursuing higher education in over 9504 universities and 49,000[4] institutes. Unlike the past, where there was a mismatch between demand and supply of management institutes, today there is an ample supply of such institutes.

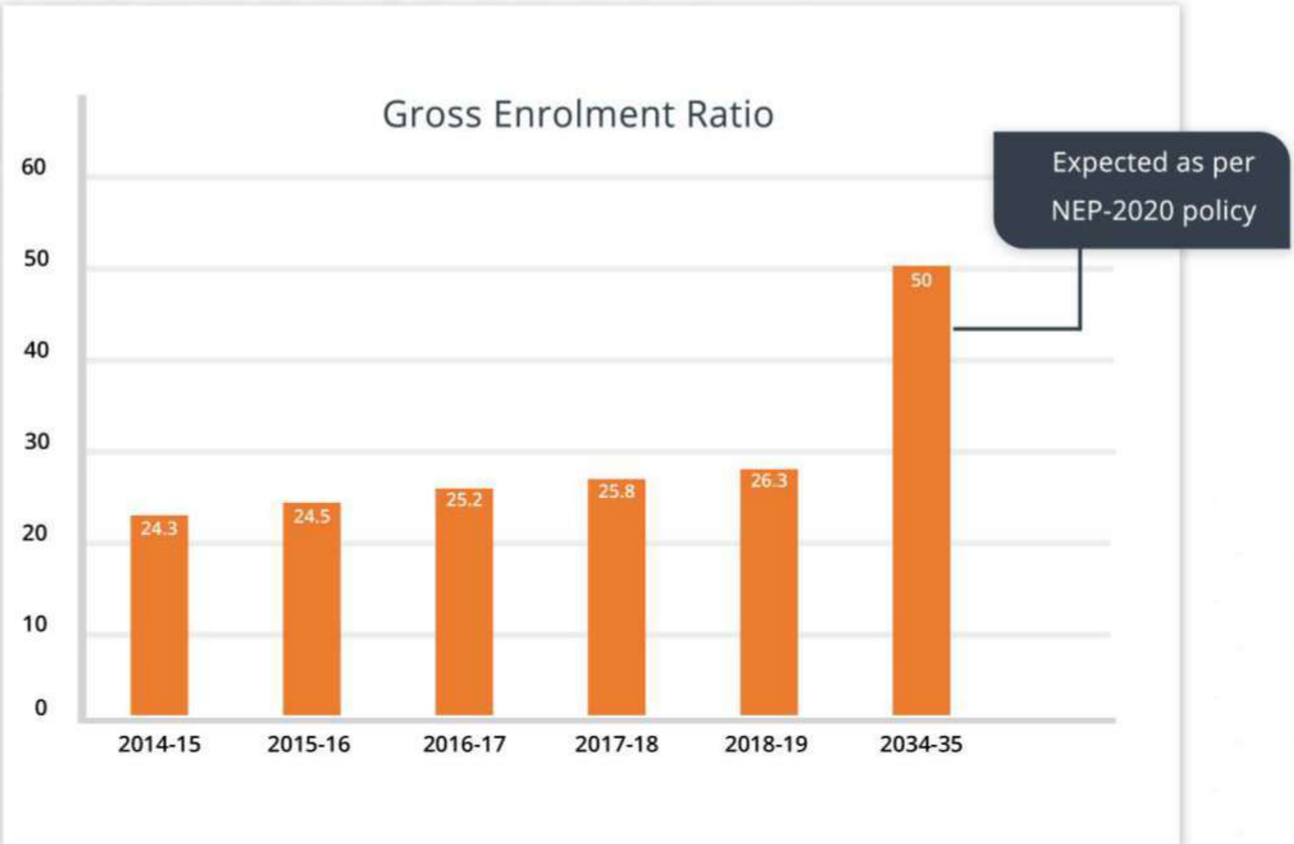
With the increasing need for qualified professionals, higher education has now become a necessity. However, quality education is expensive abroad and in India, making many students to increasingly depend on education loans to fulfil their desire for quality education.

Also, there is a need to improve and create more education infrastructure to cater to the requirements of Primary education of the Indian students. K-12 (or Kindergarten to 12th grade) represents the largest segment within the education space. The target population of this segment is 3-17 Years, representing ~25% of the total population. There are more than ~1.5 million schools that cater to ~300 million students. There is a need for financing the K-12 segment to improve the quality of the existing infrastructure and create more.

OPPORTUNITIES:

Education plays a significant role in the social progress of individuals and in the growth and development of the economy. Understanding this deep-rooted role of the education sector, the Government of India approved National Education Policy 2020 (NEP-2020), which would overhaul the 34-year-old policy, thereby universalizing education. Change in the curriculum and pedagogy, integrating technology in the learning process, and 50% Gross Enrolment Ratio (GER) by 2035 in higher education15 are vital areas the policy focuses on[13].

HIGHER EDUCATION GER



India has a unique demographic in which 29% of the population falls in the age group of 0 to 14 years[14]. Also, India's highest education segment is expected to increase to Rs 2,44.824 crores (US$ 35.03 billion) by 2025[14]. And the ed-tech market in India is expected to hit ~US$ 3.5B by 2022 and investments in 2020 are expected to reach greater than ~US$ 1.1B. Also, Indian ed-tech start-ups have received an investment of US$ 2.2B in 2020. The injection of funds in a such high quantity on the supply side indicates the massive untapped demand for education in the country.

Hence, with the NEP-2020 policy, 50% GER targets by 2035, 100% Foreign Direct Investment initiatives, and the demographic dividend indicate that the financing requirements for individuals and institutions will only shoot upwards, posing immense opportunities in the near future.

THREATS:

As a lender in the student education loans sector, the biggest threat the Company faces is the macroeconomic environment in India and abroad. Furthermore, changes in visa policies may affect the demand for students going abroad. Also, the vast geographical reach and complementary distribution capabilities of other banks and established NBFC's is a long-standing threat to our business.

AUXILO RISKS AND CONCERNS

We have a robust risk management framework in place to identify, measure, monitor, and manage the critical risks we face. The framework, including policies and procedures, is regularly reviewed and enhanced in response to changes in the external environment and business processes.

The key risks are: -

Risk	Description	Mitigation
Liquidity Risk	Liquidity risk is the risk of being unable to raise funds from the market at optimal costs to meet operational and debt servicing requirements.	The Asset and Liabilities Committee (ALCO) regularly reviews the liquidity position based on future cash flows. The Company also maintains adequate liquid assets and reserves and has access to funding to hedge against unexpected requirements.
Interest Rate Risk	Fluctuations in interest rates could adversely affect borrowing costs, interest income and net interest margins	Policies and quantifiable limits are in place that involves the assessment of various types of risks and modifications in assets and liabilities to manage such risks.
Operational Risk	It arises when the flow of and controls over the operations of the company are lacking, which has adverse impact on the continuity of business, reputation, and profitability of the company.	The company has robust and controlled operational processes. It also has a robust IT security framework.
Credit Risk	It is a risk of default or non-repayment of loan by a borrower which involves monetary loss to the company, both in terms of principal and interest.	The stringent credit appraisal system and post-disbursement monitoring ensure high-quality of loan assets with minimum probability of default. We have a robust credit appraisal system and efficient monitoring in place.
Business Risk	Being a NBFC, Auxilo is exposed to various external risks which have direct bearing on the sustainability and profitability of the Company. Foremost amongst them are Industry Risk and Competition Risk. The volatile macro-economic conditions and changes in sector attitude in various economic segments cause ups and downs in the business, and result in loan asset impairment.	We have a dedicated team to continuously judge the trends in the economy and various industrial sectors. With increasing competition in the financial markets, the Company's business growth is now subject to its ability to face competition. Keeping in with trends and practices in the market, we have developed tailor-made products to deepen market penetration. Equipped with an enthusiastic sales force, range of products, continuous efforts to improve TAT, and customer-friendly culture, the Company is efficiently withstanding competition.
Regulatory Risk	It is the risk of change in laws and regulations materially impacting the business.	All the applicable periodic guidelines issued by the RBI are fully adhered to and complied with by the Company. The Company has put in place robust systems and processes to ensure compliance with all the applicable regulations to earn the trust and goodwill of its stakeholders.

CREDIT RATING

Auxilo has been awarded a credit rating of A/stable from CRISIL for its long-term bank facilities. This rating by CRISIL reaffirms the high reputation and trust Auxilo has earned due to the management team's experience in the education loan business, robust system archtecture, prudent lending norms and innovative marketing strategies that create a market presence in the education loan segment.

FINANCIAL REVIEW

The following table presents Company's abridged financials for the financial year FY20-21, includingrevenues, expenses, and profits.

Abridged Statement of Profit and Loss

		₹ in crs
Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Revenue from operations	75.1	54.7
Other income	0.6	1.1
Total revenue	75.7	55.8
Expenses:		
Employee benefits expense	19.2	17.6
Finance costs	32.6	17.8
Depreciation and amortisation expense	2.7	2.1
Expected Credit Loss	0.8	2.3
Other expenses	7.3	10.5
Total expenses	62.6	50.3
Profit before tax	13.1	5.5
Tax expense	3.5	2.4
Profit for the year	9.6	3.1

Key Ratios

Key Indicators	**2020-21**	**2019-20**
PBT/Total Income	17.31%	9.86%
PBT/Total Assets	1.96%	0.89%
RONW (Avg. Net Worth)	2.62%	1.25%
Debt/ Equity	0.8	0.7
Capital Adequacy	67.01%	73.95%
Tier I Capital	66.27%	73.49%
Tier II Capital	0.74%	0.46%

FULFILMENT OF THE RBI'S NORMS AND STANDARDS

Auxilo fulfils and often exceeds norms and standards laid down by the RBI relating to the recognition and provisioning of non-performing assets, capital adequacy, statutory liquidity ratio, etc. The capital to risk-weighted assets ratio of Auxilo is 67.01% which is well above the RBI norm of 15%.

BUSINESS OVERVIEW

Auxilo was formed with the core objective of providing financial support to the entire Education Ecosystem. The two main segments that we cater to includes the following:

Student Education Loans:

These are the loans provided to students looking to further enhance their skills set by attaining higher education within India or Abroad.

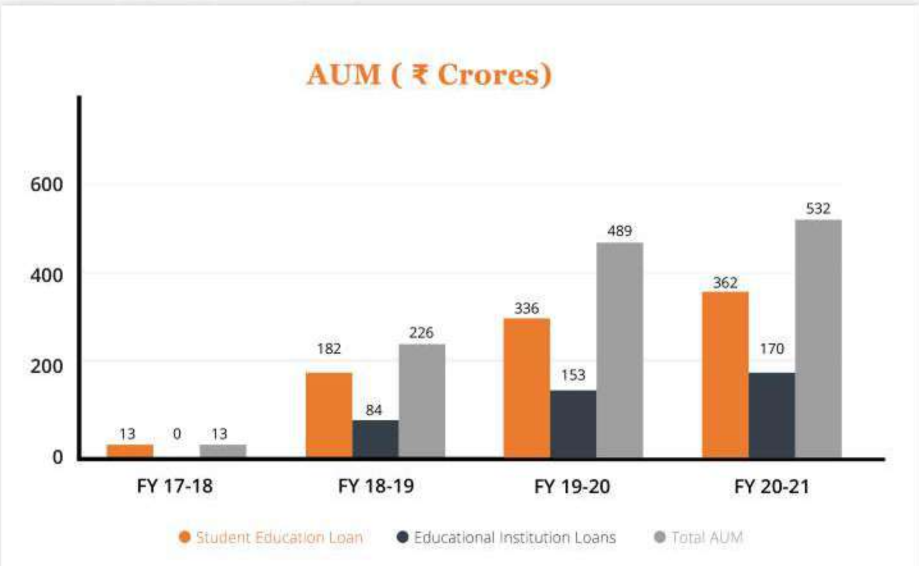
Under this segment, Auxilo provides a plethora of products which fits the unique needs of each of the borrower. In FY20-21, Auxilo achieved a total disbursment of ₹78.8 crores, which had an average ticket size of ₹14 L. Of the total customers live as of 31 March 2021, 655 customers were secured ; (AUM: ₹153 crores), and 1237 unsecured ;(AUM: ₹209 crores)

Education Institution Loans:

These are the loans provided to educational institutions that may be utilized for multiple purposes, such as enhancing and developing infrastructure, services, and offerings that aid the education enhancement for the school or institution.

In FY20-21, Auxilo achieved a total disbursement of ₹22.9 crores, of which ₹12.9 crores were disbursed under the Emergency Credit Line Scheme announced by the Government of India to provide some degree of ease in operations. All the loans under this segment are 100% secured.

The below graph shows the year-on-year growth of AUM for both Student education loans and Education Institution loans. Currently, the total AUM of the Company stands at Rs.532 crores which correspond to a CAGR of 41% considering FY18-19 as the base year of operations.



SUMMARY OF FY 20-21 (OPERATIONAL HIGHLIGHTS)

The key operational highlights of FY20-21:

- Assets Under Management ;AUM rose to ₹532 crores from ₹489 crores in FY19-20, an increase of ~9%.
- More than 4700 cases logged in and assessed this financial year and the customer base crossed 2,000 customers.
- Total income increased to ₹75.69 crores in FY20-21 from ₹58.85 crores in FY19-20.
- Able to borrow ₹137 crores in the form of NCDs, Term Loans and MLDs
- Able to contain the GNPA's at 1.2% which resulted as a direct impact of the pandemic
- Increased employee base to 160 as on 31st March 2021, against 155 as on 31st March, 2020

INTERNAL CONTROL SYSTEM

Auxilo has adequate and effective controls to provide reasonable assurance on achievement of its operational, compliance and reporting objectives which commensurate with the nature and size of the business. Auxilo ensures that a reasonably effective internal control framework operates throughout the organisation, which provides assurance about safeguarding the assets, reliability of financial and operational information, compliance with applicable statues, execution of the transactions as per the authorisation and compliance with its internal policies.

The Audit Committee reviews major instances of fraud on a quarterly basis and actions are taken on the same. It also focuses on the implementation of the necessary systems and controls to strengthen the system and prevent such recurrence. Further, the Statutory Auditors verified the systems and processes and confirmed that the Internal Financial Controls System over financial reporting are adequate and such controls are operating effectively.

The Internal Audits are carried out by the Company with the assistance of an independent Chartered Accountants firm. All significant Internal Audit observations are reported to the Audit Committee of the Board of Directors of the Company. The Audit Committee has been constituted under section 177 of the Companies Act, 2013 with specified terms of reference. Secretarial Audit is conducted by a firm of practicing company secretaries. During the year, the Internal Auditors carried out compliance audit of filing of returns with the RBI.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Every Company's paramount objective is to achieve a competitive advantage over other players in the market. The competitive advantage that is most unique and toughest to gain is that of People. With this thought, Auxilo continues to focus on attracting and retaining right talent. It is committed to provide right opportunities to employees to realise their potential. As on 31 March 2021, Auxilo had 160 full-time employees. In FY20-21, Auxilo recruited 34 employees and has an attrition rate of ~18%.

There has been no industrial dispute during the year.

FUTURE OUTLOOK

Student Education Loans:

Though the Coronavirus pandemic had a substantial impact on the student education loan segment, the Company is optimistic that the business will accelerate in FY' 21-22 due to the below reasons:

01 Country-Specific measures:

Some countries such as USA, Canada, United Kingdom, Ireland, Germany, etc. have opened their borders for students traveling to these countries to pursue their higher education. Also, United Kingdom has opened a new graduate route for international students. As per the new rules applicable from 1st July 2021, a bachelor's degree holder can work for a maximum period of two years

02 University-specific actions:

International universities are trying to improve the quantum of admissions in their colleges. Offering special concessions for international students, providing the course in a blended format (online/offline), creating virtual networking and recruitment events, and giving quarantine accommodations etc. are some of the activities/facilities undertaken by the international universities.

03 Work permit extended for blended courses:

To reduce the impact of the pandemic on the delay in education, many universities across the world have shifted to an online mode of education delivery. Countries such as United Kingdom, Ireland, Canada, etc. have allowed these students to apply for a post-graduation work visa at the end of their degree. Auxilo is experiencing a gradual rise in the applications for these countries

04 Positive findings from student surveys:

As per the survey conducted by educations.com in October 2020, 78% of the students plan to begin their studies abroad in the next two years thereby, the requirement of education loan would rise.

- ## Education Institution Loans:

In the second half of FY'20-21, the central government permitted the re-opening of schools in phases. States such as Maharashtra, Gujarat, and Punjab have either shut down schools in some parts of the state or closely monitor the situation. Subsequently, the Company witnessed a slight increase in disbursements under this segment.

But, in the recent past, India has been witnessing the second wave of the Coronavirus. States such as Maharashtra, Gujarat, and Punjab have either shut down schools in some parts of the state or are monitoring the situation closely. The State board exams have been postponed in many schools, and states like Gujarat are shutting down schools on identifying more than five cases of Coronavirus. Hence, Auxilo has taken a conservative approach in generating new business until we gain further transparency on the re-opening of education institutions. Auxilo assumes that schools may re-open for the next session by July 21; consequently, the business in this segment would pick up in the second half of FY'21-22.

CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis describing the Company's objectives,predctions may be "forword looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and government policies that may imapct company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

LINKS:

- https://www.thehindubusinessline.com/economy/covid-19-pandemic-could-lead-to-4-per-cent-loss-of-real-gdp-forindia-crisil-research/article31471055.ece#
- https://www.thehindubusinessline.com/news/national/indias-gdp-growth-estimated-to-be-in-range-of-725-125-saysworld-bank/article34203804.ece
- https://www.bloombergquint.com/business/india-gdp-contracts-a-record-239-in-april-june-quarter
- https://statisticstimes.com/economy/country/india-quarterly-gdp-growth.php
- https://www.indiabudget.gov.in/economicsurvey/
- https://www.pwc.in/assets/pdfs/consulting/financial-services/fit-for-future-nbfcs.pdf
- https://www.indiabudget.gov.in/economicsurvey/doc/vol1chapter/echap01_vol1.pdf
- https://journals.sagepub.com/doi/full/10.1177/0972063420935541
- https://www.thehindu.com/business/Economy/coronavirus-lockdown-union-finance-minister-nirmala-sitharamanannounces-fifth-and-final-tranche-of-economic-stimulus-package/article31607066.ece
- https://www.outlookindia.com/outlookmoney/banks/what-all-rbi-did-during-covid-19-4828
- https://www.financialexpress.com/opinion/why-rbis-measures-to-infuse-liquidity-wont-be-enough-forrecovery/2003014/
- https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=51076
- https://www.indiatoday.in/education-today/featurephilia/story/explained-how-will-nep-2020-change-the-educationsystem-in-india-1767385-2021-02-09
- https://www.ibef.org/industry/education-presentation
- https://www.hindustantimes.com/education/national-education-policy-2020-gets-cabinet-nod-gross-enrolment-ratio-tobe-raised-to-50-by-2035/story-hVePCZ0EUKjGXI4j1pKOrM.html
- http://aishe.nic.in/aishe/viewDocument.action?documentId=262
- https://www.careratings.com/uploads/newsfiles/19042021010304_Liquidity_Report_April_12_to_16_2021.pdf
- https://www.news18.com/news/auto/uk-singapore-canada-bans-flights-from-india-all-you-need-to-know-aboutinternational-air-travel-3669149.html
- 19 GRAPH GER https://factly.in/gross-enrolment-ratio-ger-of-higher-education-improves-but-challengesremain%EF%BB%BF/

Price Waterhouse Chartered Accountants LLP

Independent Auditors' Report

To the Members of Auxilo Finserve Private Limited

Report on the audit of the financial statements

Opinion

- We have audited the accompanying financial statements of Auxilo Finserve Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

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

Emphasis of Matter

- We draw your attention to Note 2.08 to the financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Independent Auditors' Report

To the Members of Auxilo Finserve Private Limited
Report on audit of the financial statements

Key Audit Matters

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

Assessment of the Expected Credit Loss (ECL) provision in respect of Loans given

(Refer Note 2.09A (iv) for accounting policy and Note 6 and 41.A for ECL provision) The Company has given loans aggregating to Rs. 53,403.82 lakhs as at March 31, 2021, which are carried at amortised cost and has recognized provision for expected credit losses (ECL) of Rs. 416.24 lakhs against such loans.ECL provision has been determined in accordance with Ind AS 109 'Financial Instruments' and requires exercise of judgement by the management in the following key areas :

1. Assumptions used in the ECL model such asthe financial condition of the counterparty,probability of default, expected future cash flows, expected loss in case of default.

2. identification of exposures with a significantincrease in credit risk from initial recognition of loans.

We focussed on this area because of the significance of the balances in the financial statements and involvement of management judgement to assess the amount of provision required.

How our audit addressed the key audit matter ?

We carried out following procedures in respect of ECL provision:

(a) Understood from the management, the process followed by them and evaluated the design and tested operating effectiveness of controls in respect of loans given by the Company and the ECL provision against the same.

(b) Assessed the Company's accounting policy in respect of loans and ECL provisioning against the same.

(c) Discussed with management their rationale for the significant assumptions used like assessment of financial condition of the counterparty, probability of default, loss given default and exposure at default, which are used in making the assessment of ECL provision.

(d) With the involvement of auditor's expert, assessed the appropriateness of the assumptions and judgement made by management used to calculate ECL provision.
(e) On a sample basis, checked key data inputs used to compute the ECL provision to assess their accuracy and completeness.
(f) On a sample basis, checked the mathematical accuracy of the ECL provision by performing recalculations.
(g) Checked the adequacy of the disclosures in the financial statements.
Based on above audit procedures performed, we did not note any significant exceptions to Expected Credit Loss (ECL) provision in respect of financial assets.

Other Information

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Responsibilities of management and those charged with governance 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- In preparing the 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

- Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient an d 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.

(b) 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 with reference to financial statements in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Ourconclusions are based on the audit evidence obtained up to the date of our auditor's report. However, fu ture events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Other Matter

- The financial information of the Company for the year ended March 31, 2020 and the transition date opening balance sheet as at April 1, 2019 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2020 and March 31, 2019 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated June

June 10, 2020, and April 19, 2019 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not modified in respect of above matters

Report on other legal and regulatory requirements

- 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- 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), the 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act;

(e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

(g) 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 does not have any pending litigations as at March 31, 2021, which would impact its financial position, refer to note 31 of the financial statements;

(ii) Provision has been made in the financial statements, as required by the applicable laws and accounting principles generally accepted in India, for material foreseeable losses, on long-term contracts, including derivative contracts – Refer Note 6 to the financial statements;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31,2021;

(iv) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

- The provisions of Section 197 read with Schedule V to the Act are applicable only to publiccompanies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

RUSSELL IVAN PARERA

Digitally signed by RUSSELL IVAN PARERA
Date: 2021.05.12 20:38:07 +05'30

Russell I Parera
Partner
Membership Number 042190

UDIN: 21042190AAAACD8122
Mumbai
May 12, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(f) of the Independent Auditors' Report of even date to the members of Auxilo Finserve Private Limited on the standalone financial statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to financial statements underClause (i) of Sub-section 3 of Section 143 of the Act

- We have audited the internal financial controls with reference to financial statements of Auxilo FinservePrivate Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the 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 Act.

Auditors' Responsibility

- Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and theStandards on Auditing deemed to be prescribed under section 143(10) of the Act to the extentapplicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

- Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Annexure A to Independent Auditors' Report

Referred to in paragraph 16 (f) of the Independent Auditors' Report of even date to the members of Auxilo Finserve Private Limited on the standalone financial statements for the year ended March 31,2021

Opinion

- **In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer paragraph 4 of the main audit report.**

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

RUSSELL IVAN PARERA Digitally signed by RUSSELL IVAN PARERA Date: 2021.05.12 20:38:07 +05'30

Russell I Parera
Partner
Membership Number 042190

UDIN: 21042190AAAACD8122
Mumbai
May 12, 2021

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of AuxiloFinserve Private Limited (the Company) on the financial statements as of and for the year ended March 31, 2021

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

  (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

  (c) The title deeds of immovable properties, as disclosed in Note 10 on fixed assets to the financial statements, are held in the name of the Company.

- The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

- The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

- The Company has not granted any loans or provided any guarantee or security in connection with any loan taken by parties covered under section 185. Therefore, the provisions of section 185 are not applicable to the Company. The Company is registered as Non-Banking Financial Company with the Reserve Bank of India. Therefore, the provisions of Section 186, except subsection (1) of Section 186, of the Act are not applicable to the Company. Further, the Company has not made any investment to the parties covered under Section 186 of the Companies Act, 2013 and accordingly the provisions of Clause 3(iv) of the said Order in respect of Section 186(1) is not applicable.

- The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

- The Central Government of India has not specified the maintenance of cost records under subsection (1) of Section 148 of the Act for any of the products of the Company.

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of AuxiloFinserve Private Limited (the Company) on the financial statements as of and for the year ended March 31, 2021

- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund and professional tax though there have been slight delay in one instance and is regular in depositing undisputed statutory dues, including employees' state insurance, income tax, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.

  Further, for the period April 01, 2020 to May 31, 2020, the company has paid Goods and Service Tax and filed GSTR 3B (after the due date but) within the timelines allowed by Government of India under the Notification No. 35/2020 – Central Tax dated April 03, 2020 on fulfilment of conditions specified therein.

  (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2021 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Demand u/s 156	2.05	AY 2018-19	Assessing Officer (Rectification appeal filed u/s 154 of Income Tax Act, 1961)

- According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

- The Company has not raised any moneys by way of initial public offer and further public offer (including debt instruments). In our opinion, and according to the information and explanations given to us, the monies raised by way of term loans have been applied for the purposes for which they were obtained.

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of AuxiloFinserve Private Limited (the Company) on the financial statements as of and for the year ended March 31, 2021

- During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

- The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company. Also refer paragraph 17 of our main audit report.

- As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

- The Company has not entered into transactions with related parties under Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

- The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

- The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

- The Company is required to, and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Banking Financial Institution.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

RUSSELL IVAN PARERA
Digitally signed by RUSSELL IVAN PARERA
Date: 2021.05.12 20:38:07 +05'30

Russell I Parera
Partner
Membership Number 042190

UDIN: 21042190AAAACD8122
Mumbai
May 12, 2021

Auxilo Finserve Private Limited

Balance Sheet as at March 31, 2021

(Currency : Indian Rupees in lakhs)

ASSETS	Note No	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(I) Financial Asset				
(a) Cash and cash equivalents	3	12,894.34	12,286.13	1,036.52
(b) Bank balances other than cash and cash equivalents	4	125.05	117.97	-
(c) Receivables				
(i)Trade receivables	5	41.25	70.36	214.33
(d) Loans	6	52,987.58	48,658.97	26,396.14
(e) Other financial assets	7	79.23	74.26	51.13
		66,127.45	61,207.69	27,698.12
(II) Non Financial Assets				
(a) Current tax assets (net)	8	97.55	58.68	13.44
(b) Deferred tax assets (net)	9	128.05	189.65	367.56
(c) Property, plant and equipment	10	123.59	164.14	181.12
(d) Right-of-use assets	10	244.11	312.38	291.58
(e) Intangible assets under development		-	-	76.01
(f) Intangible assets	10	93.43	112.32	21.58
(g) Other non financial assets	11	138.73	96.72	69.77
		825.46	933.89	1,021.06
TOTAL ASSETS		66,952.91	62,141.58	28,719.18

LIABILITIES AND EQUITY				
LIABILITIES				
(I) Financial Liabilities				
(a) Trade Payables				
total outstanding dues of micro enterprises and small enterprises		-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	12	-	0.34	7.40
(b) Debt securities	13	11,933.40	2,482.75	-
(c) Borrowings (Other than debt securities)	14	16,608.82	22,452.26	14,011.70
(d) Lease liabilities	29	267.61	330.27	291.58
(e) Other financial liabilities	15	763.59	854.89	493.37
		29,573.42	26,120.51	14,804.05

Auxilo Finserve Private Limited

Balance Sheet as at March 31, 2021
(Currency : Indian Rupees in lakhs)

(II) Non-Financial Liabilities				
(a) Provisions	16	77.91	44.41	27.14
(b) Other non-financial liabilities	17	48.60	90.95	74.15
		126.51	**135.36**	**101.29**
EQUITY				
(a) Equity share capital	18	34,406.22	34,406.22	15,000.00
(b) Other equity	19	2,846.76	1,479.49	(1,186.16)
		37,252.98	**35,885.71**	**13,813.84**
TOTAL LIABILITIES AND EQUITY		**66,952.91**	**62,141.58**	**28,719.18**

Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the financial statements.

This is the Balance Sheet referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

RUSSELL IVAN PARERA Digitally signed by RUSSELL IVAN PARERA Date: 2021.05.12 20:40:14 +05'30

Russell I Parera
Partner
Membership No. - 042190

For and on behalf of the Board of Directors
Auxilo Finserve Private Limited

MANISH BALKISHAN CHOKHANI Digitally signed by MANISH BALKISHAN CHOKHANI Date: 2021.05.12 19:49:55 +05'30'

Manish Chokhani
Director
DIN - 00204011

NEERAJ N SAXENA Digitally signed by NEERAJ N SAXENA [illegible] Date: 2021.05.12 [illegible]

Neeraj Saxena
MD & CEO
DIN - 07951705

HARSHA SAKSENA Digitally signed by HARSHA SAKSENA Date: 2021.05.12 18:50:27 +05'30'

Harsha Saksena
Chief Financial Officer

Deepika Thakur Chauhan Digitally signed by Deepika Thakur Chauhan [illegible] Date: 2021.05.12 19:21:44 +05'30'

Deepika Thakur Chauhan
Company Secretary

Mumbai
May 12, 2021

Mumbai
May 12, 2021

Auxilo Finserve Private Limited

Statement of Profit and Loss for the year ended March 31, 2021

(Currency : Indian Rupees in lakhs)

Particulars	Note No	For the year ended March 31, 2021	For the year ended March 31, 2020
(I) Revenue from operations			
(a) Interest income	20	7,360.17	5,281.05
(b) Fee and commission income	21	33.22	85.75
(c) Net gain on fair value change	22	116.52	100.28
TOTAL REVENUE FROM OPERATIONS		**7,509.91**	**5,467.08**
(II) Other income	23	59.20	110.80
TOTAL INCOME		**7,569.11**	**5,577.88**
(III) Expenses			
(a) Finance costs	24	3,263.89	1,777.63
(b) Impairment on financial assets	25	78.87	232.03
(c) Employee Benefits Expenses	26	1,912.92	1,755.59
(d) Depreciation and amortization	10	266.83	213.27
(e) Others expenses	27	727.32	1,052.25
TOTAL EXPENSES		**6,249.83**	**5,030.77**
(IV) Profit before tax for the year (I + II - III)		**1,319.28**	**547.11**
(V) Tax Expense :	28		
(a) Current tax		330.90	60.68
(b) Short / (Excess) provision for earlier years		(35.44)	-
(c) Deferred tax		61.59	178.15
		357.05	238.83
Net profit after tax for the year (IV - V)		**962.23**	**308.28**
(VII) Other Comprehensive Income			
(a) Items that will not be reclassified to profit and loss			
(i) Remeasurement gains and (losses) on defined benefit obligations		0.02	(0.96)
(ii) Income tax relating to items that will not be reclassified to profit and loss		(0.01)	0.24
	TOTAL (a)	**0.01**	**(0.72)**

Auxilo Finserve Private Limited

Statement of Profit and Loss for the year ended March 31, 2021

(Currency : Indian Rupees in lakhs)

(b) Items that will be reclassified to profit and loss		-	-
TOTAL (b)		-	-
OTHER COMPREHENSIVE INCOME (a+b)		**0.01**	**(0.72)**
(VIII) Total Comprehensive Income for the year (VI + VII)		**962.24**	**307.56**
(IX) Earnings per equity share in Rupees (Face value Rs. 10 each)			
Basic	30	0.28	0.12
Diluted	30	0.28	0.11

Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the financial statements.

This is the Balance Sheet referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

RUSSELL IVAN PARERA Digitally signed by RUSSELL IVAN PARERA Date: 2021.05.12 20:40:14 +05'30

Russell I Parera
Partner
Membership No. - 042190

For and on behalf of the Board of Directors
Auxilo Finserve Private Limited

MANISH BALKISHAN CHOKHANI Digitally signed by MANISH BALKISHAN CHOKHANI Date: 2021.05.12 19:49:55 +05'30'

Manish Chokhani
Director
DIN - 00204011

NEERAJ N SAXENA

Neeraj Saxena
MD & CEO
DIN - 07951705

HARSHA SAKSENA Digitally signed by HARSHA SAKSENA Date: 2021.05.12 18:50:27 +05'30'

Harsha Saksena
Chief Financial Officer

Deepika Thakur Chauhan

Deepika Thakur Chauhan
Company Secretary

Mumbai
May 12, 2021

Mumbai
May 12, 2021

Auxilo Finserve Private Limited

Statement of cash flow for the year ended March 31, 2021

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(A) Cash flow from operating activities		
Profit before tax	1,319.28	547.11
<u>Adjustments for</u>		
Depreciation and amortisation	266.83	213.27
Interest adjustments lease liabilities	27.55	29.28
Interest Expense	3,179.38	1,713.41
Interest Paid	(2,305.75)	(1,630.58)
Impairment on financial assets	78.87	232.03
Net gain on sale on current investments measured at fair value through profit and loss	(116.52)	(100.28)
Profit or Loss on sale of fixed assets	-	0.11
Rates and Taxes (Expense on account of increase in Authorised Share Capital)	-	150.61
Provision for Compensated absences	17.35	3.48
Provision for Gratuity	16.16	13.07
Interest expense on security deposit	5.04	4.90
Unwinding of discount on security deposits	(4.43)	(5.10)
Employees stock option provision	140.76	154.98
OPERATING CASH FLOW BEFORE WORKING CAPITAL CHANGES	**2,624.52**	**1,326.29**
Add / (Less): Adjustments for working capital changes		
Decrease / (Increase) in Trade Receivables	29.12	144.01
(Increase)/ Decrease in Loans	(4,407.60)	(22,494.98)
(Increase)/ Decrease in Other Financial Assets	(9.97)	(27.98)
(Increase)/ Decrease in Other non financial assets	(37.58)	(21.85)
(Increase)/ Decrease in Other Bank balances	(7.01)	(117.94)
(Increase)/ Decrease in Right-of-use assets	(83.56)	(143.54)
Increase/ (Decrease) in Lease Liabilities	71.93	142.84
Increase/ (Decrease) in Payables	(0.34)	(7.06)
Increase/ (Decrease) in ECL on Cash and cash equivalents	(0.11)	0.43
Increase/ (Decrease) in Other financial liabilities	(91.30)	361.52
Increase/ (Decrease) in Other non-financial liabilities	(42.35)	16.80
CASH USED IN OPERATIONS	**(1,954.25)**	**(20,821.46)**
Income taxes paid Income taxes paid (Net of Refunds Received)	(334.32)	(106.16)
NET CASH USED IN OPERATING ACTIVITIES -A	**(2,288.57)**	**(20,927.62)**
(B) Cash flow from investing activities		
Purchase of property, plant and equipment, intangible assets including ROU	(55.56)	(88.65)
Sale of property, plant and equipment and intangible asset	-	0.26
Purchase of investments	(14,525.00)	(39,005.98)
Proceeds from sale of investments	14,641.52	39,106.26
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES - B	**60.96**	**11.89**

Auxilo Finserve Private Limited

Statement of cash flow for the year ended March 31, 2021
(Currency : Indian Rupees in lakhs)

Particulars		
(C) Cash flow from financing activities	**March 31, 2021**	**March 31, 2020**
Proceeds from issue Equity shares (incl. Securities Premium)	-	21,609.33
Proceeds from call money on OCPS	264.27	-
Rates and Taxes (Expense on account of increase in Authorised Share Capital)	-	(150.61)
Payment towards leases	(162.14)	(133.43)
Proceeds from issue of debt securities	11,628.06	2,480.86
Repayment of debt securities	(2,916.67)	-
Proceeds from borrowings (other than Debt securities)	1,969.94	28,156.97
Repayment of borrowings (other than Debt securities)	(7,947.75)	(19,797.35)
NET CASH GENERATED FROM FINANCING ACTIVITIES - C	2,835.71	32,165.77
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	608.10	11,250.04
Cash and cash equivalent as at the beginning of the year	12,286.56	1,036.52
Cash and cash equivalent as at the end of the year	12,894.66	12,286.56

Notes:

i) Reconciliation of cash and cash equivalents as per the statement of cash flow

Cash and Cash Equivalents as per above comprise of the following	**March 31, 2021**	**March 31, 2020**
- In Current accounts	585.69	1,782.05
- In Fixed deposits	12,308.97	10,504.51
BALANCES AS PER STATEMENT OF CASH FLOW	12,894.66	12,286.56

ii) The above Statement of Cash Flow has been prepared under the indirect method as set out in Indian Accounting Standard - 7 " Statement of Cash flow ".

iii) The cash and cash equivalent as shown in balance sheet is net of impairment allowance of Rs. 0.32 lakh (Previous year Rs. 0.43 lakh).

iv) For Net debt reconciliation refer note - 44.

Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the financial statements.

This is Statement of Cash Flow referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

RUSSELL IVAN PARERA Digitally signed by RUSSELL IVAN PARERA Date: 2021.05.12 20:40:14 +05'30

Russell I Parera
Partner
Membership No. - 042190

Mumbai
May 12, 2021

For and on behalf of the Board of Directors
Auxilo Finserve Private Limited

MANISH BALKISHAN CHOKHANI Digitally signed by MANISH BALKISHAN CHOKHANI Date: 2021.05.12 19:49:55 +05'30'

Manish Chokhani
Director
DIN - 00204011

NEERAJ N SAXENA

Neeraj Saxena
MD & CEO
DIN - 07951705

HARSHA SAKSENA Digitally signed by HARSHA SAKSENA Date: 2021.05.12 18:50:27 +05'30'

Harsha Saksena
Chief Financial Officer

Deepika Thakur Chauhan

Deepika Thakur Chauhan
Company Secretary

Mumbai
May 12, 2021

Auxilo Finserve Private Limited

Statement of changes in equity As at March 31, 2021

(Currency : Indian Rupees in lakhs)

A. Equity Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020		As at March 31, 20219	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	34,40,62,153	34,406.22	15,00,00,000	15,000.00	15,00,00,000	15,000.00
Add: Changes in equity share capital during the year	-	-	19,40,62,153	19,406.22	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	**34,40,62,153**	**34,406.22**	**34,40,62,153**	**34,406.22**	**15,00,00,000**	**15,000.00**

B. Other Equity

Particulars	Other Equity					
	Equity component of compound financial instrument	Reserves and Surplus				Total Other Equity
		Securities premium	Statutory reserve	Employee stock options	Retained Earnings	
Balance As at April 01, 2019	**8.00**	-	**0.14**	**217.26**	**(1,411.56)**	**(1,186.16)**
Profit for the year	-	-	-	-	308.28	**308.28**
Other comprehensive income for the year	-	-	-	-	(0.72)	**(0.72)**
Issue of equity shares	-	2,203.11	-	-	-	**2,203.11**
Transfer from / (to)	-	-	198.73	-	(198.73)	-
Employee share options	-	-	-	154.98	-	**154.98**
BALANCE AS AT MARCH 31, 2020	**8.00**	**2,203.11**	**198.87**	**372.24**	**(1,302.73)**	**1,479.49**
Profit for the year			-	-	962.23	962.23
Other comprehensive income for the year			-	-	0.01	0.01
Money called up and paid on OCPS	264.27		-	-	-	264.27
Transfer from / (C19to)			192.45	-	(192.45)	-
Employee share options			-	140.76	-	140.76

Auxilo Finserve Private Limited

Statement of changes in equity As at March 31, 2021
(Currency : Indian Rupees in lakhs)

BALANCE AS AT MARCH 31, 2021	**272.27**	**2,203.11**	**391.32**	**513.00**	**(532.94)**	**2,846.76**

Significant Accounting Policies - Refer Note 1 and 2

This is the Statement of changes in equity referred in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

RUSSELL IVAN PARERA Digitally signed by RUSSELL IVAN PARERA Date: 2021.05.12 20:40:14 +05'30'

Russell I Parera
Partner
Membership No. - 042190

Mumbai
May 12, 2021

For and on behalf of the Board of Directors
Auxilo Finserve Private Limited

MANISH BALKISHAN CHOKHANI Digitally signed by MANISH BALKISHAN CHOKHANI Date: 2021.05.12 19:49:55 +05'30'

Manish Chokhani
Director
DIN - 00204011

NEERAJ N SAXENA

Neeraj Saxena
MD & CEO
DIN - 07951705

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Harsha Saksena
Chief Financial Officer

Deepika Thakur Chauhan

Deepika Thakur Chauhan
Company Secretary

Mumbai
May 12, 2021

Auxilo Finserve Private Limited

Notes to the financial statements for the year ended March 31, 2021
(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
11. Other non financial assets			
Unsecured, considered good			
a) Prepaid expenses	30.06	49.42	49.35
b) Advances to vendors	20.14	7.96	-
c) Balances with statutory authorities	88.53	39.34	20.42
Total	**138.73**	**96.72**	**69.77**

12. Trade payables

1. Corporate Information

Auxilo Finserve Private Limited (the 'Company') is a Systemically Important Non-Deposit Accepting NBFCregistered with Reserve Bank of India (RBI). The Company has been incorporated on October 04, 2016. The Company received NBFC license from the Reserve Bank of India (RBI) on May 03, 2017. The main objective of the Company is to originate, provide and service loans to students pursuing education and provide ancillary services in relation to the said business activity and provide infrastructure or working capital loan to educational institutions. The Company's debt securities are listed on BSE.

The financial statements of the Company for the year ended March 31, 2021 were approved for issue in accordance with the resolution of the Board of Directors on May 12, 2021.

2. Basis of preparation and summary of significant accounting policies

A. Basis of preparation of financial statements

2.01 Statement of compliance with Indian Accounting Standards (Ind AS)

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016. The Company has adopted Ind AS from April 01, 2020 with effective transition date of April 01, 2019 and accordingly, these financial statements together with the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS, prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued there under and other relevant provision of the act. The transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act read with Rule 7 of Companies (Accounts) Rules 2014 (as amended), guidelines issued by the RBI and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at April 01,2019 and the comparative previous year has been restated / reclassified.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 01, 2019 being the 'date of transition to Ind AS'. These financial statements were authorized for issue by the Company's Board of Directors on May 12, 2021.

2.02 Basis of preparation

The financial statement comprises of statement of financial position as at March 31, 2021, statement of profit and loss, statement of changes in equity and statement of cash flow for the year then ended and related explanatory notes. The Company has prepared these financial statements to comply in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These are the Company's first Ind AS financial statements.

The Company has assessed its liquidity position and its possible sources of funds. The Board of Directors of the Company are confident of the Company's ability to meet its obligations as and when they arise in the next twelve months from the date of these financial statements. Accordingly, these financial statements have been prepared on a going concern basis.

2.03 Basis of measurement

The financial statements have been prepared on an accrual basis under the historical cost convention as modified by the application of fair value measurements required or allowed by the relevant standards under Ind AS.

Historical cost is generally the amount of cash or cash equivalents paid or the fair value of the consideration given in exchange for goods and services.

The financial statements have been prepared on a historical cost basis except for:
-Certain financial assets and liabilities - measured at fair value
-Defined benefit plans (Employee benefit provisions) – measured at fair value.

2.04 Use of estimates and judgements

The preparation of financial statements in conformity with Ind-AS requiresmanagement to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised and future periods. The estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet date listed here in below under Critical accounting estimates and judgements.

2.05 Critical Accounting Estimates and Judgements

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgement and make certain assumptions in applying the Company's accounting policies and preparation of financial statements.

The use of such estimates, judgements and assumptions affect the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods.

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

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

A. Measurement of impairment of loans and advances

Judgement is required by management in the estimation of the amount and timing of future cash flows when determining an impairment loss for loans and advances. In estimating these cash flows, the Company makes judgements about the borrower's financial situation and the net realisable value of collateral, if any. These estimates are based on assumptions about a number of factors including forward looking information, and actual results may differ, resulting in future changes to the impairment allowance.

B. Measurement of defined benefit obligations

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

C. Useful lives of property, plant and equipment and intangible assets

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period or even earlier in case, circumstances change such that the amount recorded value of an asset may not be recoverable.

E. Fair value of financial instrument

The fair value of financial instrument is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuationtechniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair value please see Note - 40.

F. Business model assessment

Classification and measurement of financial asset depends upon the results of the solely payment of principaland interest (SPPI) and the business model test. The Company determines the business model at a level thatreflects how groups of financial asset are managed together to achieve a particular business objective. This assmessment includes judgement reflecting all relevant evidence including how the performance of the asset isevaluated 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. The Company monitors financial assets measured at amortised or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

G. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

H. Contingent liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefits is not probable or cannot be reliably measured. Contingent liabilities are disclosed unless the possibility of an outflow of resources embodying economic benefit is remote.

I. Employee Benefits

i) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of profit and loss for the year in which the related service is rendered.

ii) Defined Contribution Plan

The Company's contribution paid/payable during the year towards Provident and other funds is charged to the Statement of profit and loss in the year in which employee renders the related service.

iii) Defined Benefit Plan

The Company has an obligation towards gratuity, a non funded defined benefit plan covering eligible employees. Vesting for gratuity occurs upon completion of five years of service. Details of the unfunded defined benefit plans for its employees are given in note 38B which is as certified by theactuary using projected unit credit method.

iv) Compensated Absences

The employees of the Company are entitled to compensated absences which are both accumulating and nonaccumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

J. Effective interest rate

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial l (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments and other fee income/expense that are integral parts of the instrument.

2.06 Presentation of financial statements

The Balance Sheet and the Statement of profit and loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non- Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements ofInd AS 7 "Statement of Cash Flow". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Ind AS, RBI and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.07 Functional Currency

Amounts in the financial statements are presented in Indian Rupees in lakhs rounded off to nearest Rupee as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupee to two decimal places

2.08 COVID-19 business impact assessment

In addition to the widespread public health implications, the COVID-19 pandemic has had an extraordinary impact on macroeconomic conditions in India and around the world. During the previous year, people and economies around the world, witnessed serious turbulence caused by the first wave of the pandemic, the consequent lockdowns, the gradual easing of restrictions and the emergence of new variants of the virus. Although government has started vaccination drive, COVID-19 cases have significantly increased in recent months due to second wave as compared to earlier levels in India. Various state governments have again announced strict measures include lockdowns to contain this spread. As COVID vaccines get administered to more and more people, businesses in sectors impacted by pandemic may pick up. However, the continuing and evolving nature of the virus has created uncertainty regarding estimated time required for businesses and lives to get back to normal

The Company continues to closely monitor the situation and in response to this health crisis has implemented protocols and processes to execute its business continuity plans and help protect its employees and support its clients. The pandemic has impacted lending business, fee income, collection efficiency etc. in increase in customer defaults and consequently increase in provisions.

The Company, however, has not experienced any significant disruptions in the past one year and has considered the impact on carrying value of assets based on the external or internal information available up to the date of approval of financial statements. The future direct and indirect impact of COVID-19 on Company business, results of operations, financial position and cash flows remains uncertain. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

2.09 Financial Instruments

Financial assets and financial liabilities are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assetsand financial liabilities at initial recognition based on its nature and characteristics.

2.09.A Financial assets

i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

The financial assets include investments in mutual funds, trade and other receivables, loans and advances and cash and bank balances.

ii) Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

• At amortised cost, and

• At fair value through other comprehensive income (FVOCI), and

• At fair value through profit and loss (FVTPL).

Debt instruments at amortised cost

A 'debt instrument' 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 the asset 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 on the principal amount outstanding.

Financial Assets at Amortised Cost

Financial assets at amortised cost include loans receivable, and other financial assets that are held with the objective of collecting contractual cash flows. 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 effective interest rate (EIR). The effective interest rate (EIR) amortisation is included in interest income in the Statement of Profit and Loss.

Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income ("OCI"), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of profit and loss and recognised in other gains/(losses) (net). Interest income from these financial assets is included in other income using the effective interest rate (EIR) method.

Fair value through Profit and Loss (FVTPL)

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss ('FVTPL').

iii) Reclassifications

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

iv) Impairment

The provision for credit risks, which is recognized in accordance with the expected credit loss method specified by Ind AS 109 and in accordance with uniform standards applied, encompasses all financial assets measured at amortised cost. The calculation of the provision for credit risks generally takes into account the exposure at default, the probability of default and the loss given default. Financial assets are subject to credit risks, which are taken into account by recognising the amount of the expected loss; such allowances are recognised for both financial assets with objective evidence of impairment and non-impaired financial assets.

The general approach is used for financial assets measured at amortised cost on initial recognition. Financial assets are broken down into three stages in the general approach.

Stage 1 consists of financial assets that are being recognised for the first time or that have not demonstrated any significant increase in probability of default since initial recognition. In this stage, the model requires the calculation of an expected credit loss for the next twelve months.

Stage 2 consists of financial assets for which there is a significant increase in credit risk. Financial assets demonstrating objective indications of impairment are allocated to satge-3.

In stage 2 and 3 , an expected credit loss is calculated for the entire remaining maturity of the asset. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when :

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company
to actions such as realising security (if any is held): or
- the financial asset is 90 days or more past due.

Both historical information, such as average historical default probabilities for each portfolio, and forwardlooking information is used to determine the measurement parameters for calculating the provision for credit risks.

Impairment arises in a number of situations, such as delayed payment over a certain period, the initiation of enforcement measures, the threat of insolvency or over indebtedness, application for or the initiation of insolvency proceedings, or the failure of restructuring measures.

Reviews are regularly carried out to ensure that the allowances are appropriate. Uncollectible loans or receivables that are already subject to a workout process and for which all collateral has been recovered and all further options for recovering the loan or receivable have been exhausted are written off directly. Any valuation allowances previously recognised are utilised. Income subsequently collected in connection with loans or receivables already written off is recognised in statement of profit and loss.

Loans and receivables are reported in the balance sheet at the net off ECL provision. The provision for credit risks relating to off-balance sheet irrevocable credit commitments is recognised as ECL provision and net off from loans.

v) Write - offs

Financial assets are written off either partially or in their entirety when the Company has no reasonable expectations of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment of financial instruments in

However, financial assets that are written off may be subject to enforcement activities to comply with the Company's procedures for recovery of amounts due.

2.09.B Financial liabilities

i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities classified at amortised cost, net of directly attributable transaction costs. The financial liabilities include trade and other payables and loans and borrowings etc.

ii) Subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified as Financial liabilities at amortised cost.

Financial liabilities at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). The effective interest rate (EIR) amortisation is included as finance costs in the Statement of Profit and Loss.

2.09.C De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primary derecognised 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 as '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 right to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) an (ii) any cumulative gain or loss that had been recognised in OCI is recognised in Statement of profit and loss.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

2.09.D Offsetting of financial instruments

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

2.09.E Fair value measurement

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments. The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques are as follows :

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as price) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.09.F Derivatives

Derivatives are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently measured at fair value.

Embedded derivatives

The embedded derivatives are treated as separate derivatives when:

- their economic characteristics and risks are not closely related to those of the host contract;
- a separate instrument with the same terms would meet the definition of a derivative;

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract, with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to an index of prices or rates or other variable. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit and loss.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit and loss.
Embedded derivatives closely related to the host contracts are not separated.

These embedded derivatives are separately accounted for at fair value, with changes in fair value recognised in the statement of profit and loss unless the Company chooses to designate the hybrid contracts at fair value through profit and loss.

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately.

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated.Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit and loss. Embedded derivatives closely related to the host contracts are not separated.

2.09.G Modification of financial assets and financial liabilities

Financial Assets

If the terms of a financial assets are modified, the Company evaluates whether the cash flow of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cashflows that are discounted at the financial asset's original effective interest rate and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in the Statement of profit and loss. Any costs or fees incurred adjust the carrying amount of modified financial asset and are amortised over the remaining term of the modified financial asset. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses, in other cases, it is presented as interest income.

Financial liabilities

The Company derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of profit and loss.

2.10 Share capital

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

2.11 Cash and Cash equivalents

Cash and cash equivalents consist of cash on hand, balances with bank, deposits with bank (with original maturity of three months or less). For the purposes of presentation in the statement of cash flow, cash and cash equivalents include cash on hand and current account balances with banks that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The Company does not have any bank overdraft facility.

2.12 Property, Plant and Equipment (Tangible assets)

Property, Plant and Equipment ("PPE") are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the part will flow to the Company and its cost can be measured reliably. All other expenses on existing the property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the period during which such expenses are incurred. Any gain or loss on disposal of an item of property, plant and equipment is recognised within other income in statement of profit and loss on derecognition.

Depreciation

Depreciation on PPE is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset. The Company has estimated the useful lives to depreciate its PPE which is in accordance with those prescribed under Schedule II of the The Companies Act ,2013. The following are the estimates of the useful lives to depreciate its PPE:

Particulars	Estimated useful life by the Company
Office Equipment	5 years
Computer Equipment	
-Desktop/laptop	3 years
-Server Network	6 years
Furniture and Fixtures	10 years
Lease-hold improvements	Over the lease term

Each item of PPE individually costing 5,000/- or less is depreciated over a period of one year. The estimated useful lives, residual values and depreciation method are reviewed at-least at the end of each financial year and are adjusted, wherever appropriate.

2.13 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Development costs that are directly attributable to the design and testing of identifiable and unique softwareproducts controlled by the Company are recognised as intangible assets when the following criteria are met:

• It is technically feasible to complete the software so that it will be available for use
• Management intends to complete the software and use or sell it
• There is an ability to use or sell the software
• It can be demonstrated how the software will generate probable future economic benefits
• Adequate technical, financial and other resources to complete the development and to use or sell the software are available and
• The expenditure attributable to the software during its development can be reliably measured

Intangible assets under development

Directly attributable costs that are capitalized as a part of software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use. Research expenditure and development expenditure that do not meet the above criteria are recognised as anexpense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation of intangible assets

Intangible assets are amortized on a straight line basis over the estimated useful economic life. Intangible assets are amortised as per management's estimate over a period of 5 years or licence period whichever is earlier. Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Costs associated with maintaining software programmes are recognised as an expense as incurred.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

2.14 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.15 Earnings per share

Basic earnings per share are calculated by dividing the net profit and loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during, the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares which may involve issue of equity shares. The calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

Performance-based employee share options have been treated as contingently issuable shares as per Ind AS 33 because their issue is contingent upon satisfying specified conditions related to performance of the respective employee in addition to the passage of time. As in the calculation of basic earnings per share, contingently issuable ordinary shares are treated as outstanding and included in the calculation of diluted earnings per share if the specified conditions are satisfied.

2.16 Income Taxes

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of profit and loss except to the extent it relates to items directly recognized in equity or in OCI.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected tobe recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and equity are recognized in OCI and in equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from theinitial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet 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 balance sheet date.
Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to setoff if a legally enforceable right exists to set off deferred tax assets against deferred tax

taxes relate to the same taxable entity and the same taxation authority.

2.17 Leases

As a lessee

Till March 31, 2019

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

With effect from April 01, 2019:

From April 1, 2019, the Company recognises leases as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

• fixed payments (including in-substance fixed payments), less any lease incentives receivable
• variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
• amounts expected to be payable by the Company under residual value guarantees
• the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
• payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit and loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and multiprotocol label switching (MPLS) equipment (MPLS VPN).

2.18 Employee Share Based Plan

Share-based compensation benefits are provided to the employees through the Employee Stock Option Scheme, 2017 ("Plan"). The fair value of options determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period with a corresponding credit to share options outstanding reserve, based on the Company's estimate of the shares that will eventually vest and adjusted for the effect of service conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognises the impact of the revision to original estimates, if any, in profit and loss, with a corresponding adjustment to equity.

2.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Managing Director cum Chief executive officer (MD and CEO) of theCompany has been identified as CODM who assesses the financial performance and position of the Company, and makes strategic decisions.

2.20 Revenue and Expense Recognition

A. Interest income

Interest income is presented in the Statement of profit and loss includes interest on financial assets measured at amortised cost calculated on an effective interest basis. Fee income and expense that are integral to the effective interest rate on a financial asset are included in the effective interest rate computation. The amortization of income and expenses for financial assets under EIR approach is done on a systematic basis that exactly discounts estimated future cash flows of the financial assets through the expected life of the assets. The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets. (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated applying the EIR to the amortised cost of the credit-impaired financial asset (i.e. the gross carrying amount less the allowances for ECLs).

B. Commission and fee income

Commissions earned by the Company which are not directly attributable to disbursal of loans are recognised in the Statement of profit and loss as and when incurred.

Fee income is recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out in Ind AS 115.

C. Interest expenses

Interest expense is presented in the Statement of profit and loss includes interest on liabilities measured at amortised cost calculated on an effective interest basis. Fee and borrowing costs that are integral to the effective interest rate on a financial liability are included in the effective interest rate computation. The amortization of expenses for financial liabilities under EIR approach is done on a systematic basis that exactly discounts estimated future cash flows of the financial liabilities through the expected life of the financial liability.

D. Borrowing costs

Borrowing costs incurred in connection with the borrowing of funds including the ancillary cost are amortised and accounted as interest expense using the EIR method. Other borrowing costs are recognised as expense in the period in which they are incurred.

2.21 Approach on exemption under Ind AS 101 First Time Adoption of Indian Accounting Standards (Ind AS):

The Company has adopted Ind AS with effect from April 01, 2020 with comparatives being restated, Accordingly the impact of transition has been provided in the Opening Reserves as at April 01, 2019. The figures for the previous period have been restated, regrouped and reclassified whenever required to comply withthe requirement of Ind AS and Schedule III-Division III. The detailed note on the same has been provided in 'Note-47 First-time adoption of Ind AS'

2.22 Amendments to existing Ind AS

(i) Ind AS 1 and Ind AS 8

Amendments have been made to Ind AS 1 Presentation of Financial Statements and Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors which use a consistent definition of materiality throughout Ind AS and the Conceptual Framework for Financial Reporting, clarify when information is material and incorporate some of the guidance in Ind AS 1 about immaterial information.

In particular, the amendments clarify:

• that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and

• the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

(ii) Ind AS 103

The amended definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendments will likely result in more acquisitions being accounted for as asset acquisitions.

(iii) Ind AS 107, Ind AS 109 and Ind AS 37

The amendments made to Ind AS 107 Financial Instruments: Disclosures and Ind AS 109 Financial Instruments provide certain reliefs in relation to interest rate benchmark reforms.

The reliefs relate to hedge accounting and have the effect that the reforms should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement. Given the pervasive nature of hedges involving IBOR-based contracts, the reliefs will affect companies in all industries.

(iv) Ind AS 116

As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. Amendment to Ind AS 116 Leases provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concessions as variable lease payments in the period in which they are granted.

Entities applying the practical expedients must disclose this fact, whether the expedient has been applied to all qualifying rent concessions or, if not, information about the nature of the contracts to which it has been applied, as well as the amount recognised in profit or loss arising from the rent concessions.

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
3. Cash and cash equivalents			
a) Cash on hand	-	-	-
b) Balances with Banks			
i) in current accounts	585.69	1,782.05	1,036.52
ii) in deposit accounts having original maturity less than 3 months*	12,308.97	10,504.51	-
c) Cheques, drafts on hand	-	-	-
	12,894.66	12,286.56	1,036.52
Less: Impairment loss allowance	0.32	0.43	-
TOTAL	12,894.34	12,286.13	1,036.52

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.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period. * includes interest accrued amounting Rs. 8.97 lakh (As at March 31, 2020 - Rs. 4.51 lakh As at April 01, 2019 - Rs. Nil)

4. Bank balances other than cash and cash equivalents

Other Bank balances			
Fixed deposit with banks	125.15	118.00	
	125.15	118.00	-
Less: Impairment loss allowance	0.10	0.03	-
TOTAL	125.05	117.97	-

NOTE:

Fixed deposit has been earmarked towards credit enhancement towards securitisation transaction. (Refer note - 49.19.1)

5. Trade receivables

Unsecured Trade receivable- considered good	41.30	70.40	214.33
	41.30	70.40	214.33
Less: Impairment loss allowance	0.05	0.04	-
TOTAL	41.25	70.36	214.33

Auxilo Finserve Private Limited

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

(Currency : Indian Rupees in lakhs)

Particulars

6. Loans

At amortised cost

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
A. Product wise Details			
a) Term loans	53,403.82	48,997.17	26,502.87
TOTAL (A) - Gross	**53,403.82**	**48,997.17**	**26,502.87**
Less: Impairment loss allowance	416.24	338.20	106.73
TOTAL (A) - Net	**52,987.58**	**48,658.97**	**26,396.14**
B. Security wise Details			
a) Secured considered good*			
i) Secured by tangible assets	31,376.06	28,713.44	15,843.15
ii) Secured by intangible assets	-	-	-
b) Unsecured	22,027.76	20,283.73	10,659.72
TOTAL (B) - Gross	**53,403.82**	**48,997.17**	**26,502.87**
Less: Impairment loss allowance	416.24	338.20	106.73
TOTAL (B) - Net	**52,987.58**	**48,658.97**	**26,396.14**

*Secured loans are secured to the extent of collateral value consisting of immovable property and /or fixed deposits.

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
C. Region wise Details			
a) Loans in India			
- Public sector	-	-	-
- Others	53,403.82	48,997.17	26,502.87
b) Loans outside India	-	-	-
	-	-	-
TOTAL (C) - Gross	**53,403.82**	**48,997.17**	**26,502.87**
Less: Impairment loss allowance	416.24	338.20	106.73
TOTAL (C) - Net	**52,987.58**	**48,658.97**	**26,396.14**

NOTE

6.1 Refer note - 41.A for details of Credit risk, credit risk management, credit quality and reconciliaiton of impairment loss allowance

6.2 There are no loans which has been classified as Fair value through profit and loss and / or Fair value through other comprehensive income

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

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
7. Other financial assets			
Unsecured, considered good			
a) Security deposits	78.22	73.21	49.93
b) Receivable from employees	1.10	1.10	1.20
	79.32	74.31	51.13
Less: Impairment loss allowance	0.09	0.05	-
TOTAL	79.23	74.26	51.13

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
8. Current tax assets (net)			
Current tax assets (net) Net of provision for income tax Rs. 356.13 lakhs (As at March 31, 2020 - Rs. 60.68 lakh As at April 01, 2019 - Rs. Nil)]	97.55	58.68	13.44
TOTAL	97.55	58.68	13.44

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
9. Deferred tax assets (net)			
A. Deferred tax assets / (Deferred tax liabilities)			
a) Difference between WDV as per books and tax books	-	(1.74)	(3.28)
TOTAL DEFERRED TAX LIABILITIES	-	(1.74)	(3.28)
a) Difference between WDV as per books and tax books	- 3.24	-	-
b) Provision for Gratuity	11.39	7.33	3.98
c) Provision for Compensated absences	8.22	3.85	3.08
d) Operating lease liability	-	-	1.70
e) Amortization of Preliminary Expenses	-	0.17	0.36
f) Unwinding of discount on security deposit and prepaid rent expenses	0.24	0.09	0.14
g) Leases	5.91	4.50	-
h) Effective interest rate (EIR) impact on Borrowings and Loans	11.56	90.18	55.58
i) Impairment loss allowance	87.48	85.27	27.75
j) Carried forward business loss	-	-	278.25
TOTAL DEFERRED TAX ASSETS	128.05	191.39	370.84
NET DEFERRED TAX ASSETS / (DEFERRED TAX LIABILITIES)	128.05	189.65	367.56

B. For yearly movement in balances of deferred tax assets/(liabilities) refer Note no. - 28.3

Auxilo Finserve Private Limited

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

(Currency : Indian Rupees in lakhs)

10.

Particulars	Property, plant and equipment						Right-of-use assets		Intangible assets	
	Land* (A)	Computer Hardware (B)	Office Equipment (C)	Furniture and Fixtures (D)	Leasehold Improvements (E)	Total F = (A+B+C+D+E)	Premises	Total	Software	Total
A. Gross carrying amount										
Balance at April 01, 2019 (deemed cost)	-	147.73	16.76	17.54	70.10	**252.13**	291.58	**291.58**	32.52	**32.52**
Addition	5.25	36.43	7.14	0.36	-	**49.18**	143.54	**143.54**	115.48	**115.48**
Disposal	-	0.43	-	-	-	**0.43**	-	**-**	-	**-**
Balance at March 31, 2020	**5.25**	**183.73**	**23.90**	**17.90**	**70.10**	**300.88**	**435.12**	**435.12**	**148.00**	**148.00**
Addition	-	27.53	1.17	-	-	**28.70**	83.56	**83.56**	26.86	**26.86**
Disposal	-	-	-	-	-	**-**	-	**-**	-	**-**
Balance at March 31, 2021	**5.25**	**211.26**	**25.07**	**17.90**	**70.10**	**329.58**	**518.68**	**518.68**	**174.86**	**174.86**
B. Accumulated Depreciation / amortisation										
Balance at April 01, 2019	**-**	**36.90**	**5.73**	**7.06**	**21.32**	**71.01**	-	**-**	10.94	**10.94**
Depreciation / Amortisation expense	-	45.37	4.96	1.40	14.06	**65.79**	122.74	**122.74**	24.74	**24.74**
Disposal	-	0.06	-	-	-	**0.06**	-	**-**	-	**-**
Balance at March 31, 2020	**-**	**82.21**	**10.69**	**8.46**	**35.38**	**136.74**	**122.74**	**122.74**	**35.68**	**35.68**
Depreciation / Amortisation expense	-	49.25	4.74	1.24	14.02	**69.25**	151.83	**151.83**	45.75	**45.75**
Disposal	-	-	-	-	-	**-**	-	**-**	-	**-**
Balance at March 31, 2021	**-**	**131.46**	**15.43**	**9.70**	**49.40**	**205.99**	**274.57**	**274.57**	**81.43**	**81.43**
C. Net carrying amount (A-B)										
As at April 01, 2019	**-**	**110.83**	**11.03**	**10.48**	**48.78**	**181.12**	**291.58**	**291.58**	**21.58**	**21.58**
As at March 31, 2020	**5.25**	**101.52**	**13.21**	**9.44**	**34.72**	**164.14**	**312.38**	**312.38**	**112.32**	**112.32**
As at March 31, 2021	**5.25**	**79.80**	**9.64**	**8.20**	**20.70**	**123.59**	**244.11**	**244.11**	**93.43**	**93.43**

D. Depreciation and Amortisations for the year

	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Depreciation on property, plant and equipments	69.25	65.79
b) Depreciation on right-of-use assets	151.83	122.74
c) Amortisation of intangible assets	45.75	24.74
Total	266.83	213.27

Note * : Pari passu charge over the immovable property of the Company towards the Listed Non convertible debentures issued (other than Market linked Non convertible debentures).

Notes to the financial statements for the year ended March 31, 2021
(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
11. Other non financial assets			
Unsecured, considered good			
a) Prepaid expenses	30.06	49.42	49.35
b) Advances to vendors	20.14	7.96	-
c) Balances with statutory authorities	88.53	39.34	20.42
Total	**138.73**	**96.72**	**69.77**
12. Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	-	-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.34	7.40
Total	**-**	**0.34**	**7.40**

Note:
For disclosure pertaining to Micro and Small Enterprises refer note No. 34

		As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
13 *Debt securities*				
13.1				
At amortised cost				
A. Secured (Refer Note 13.3)				
a) Non convertible debentures (listed, fully paid and privately placed)		11,933.40	-	-
	(A)	11,933.40	-	-
B. Unsecured (Refer Note 13.3)				
a) Non convertible debentures (unlisted, fully paid and privately placed)		-	2,482.75	-
	(B)	-	2,482.75	-
Total (A + B)		**11,933.40**	**2,482.75**	**-**
13.2				
i) Debt securities in India		11,933.40	2,482.75	-
ii) Debt securities outside India		-	-	-
Total		**11,933.40**	**2,482.75**	**-**

13.3 Terms of repayment of NCDs

Name of Security	Repayment Terms	Maturity Date	As at March 31, 2021 Outstanding Amount	As at March 31, 2021 Face Value / Redemption value	As at March 31, 2020 Outstanding Amount	As at March 31, 2020 Face Value / Redemption value
A) Unlisted and Unsecured Non Convertible Debentures						
11.25% Non Convertible Debentures*	Seven Equal Half Yearly Installments	August 23, 2023	-	-	2,500.00	1.00
B) Listed and Secured Non Convertible Debentures						
10.25% Non Convertible Debentures	Six Equal Half Yearly Installments	June 23, 2023	2,083.33	8.33	-	-
10.95% Market Linked Debentures	Bullet repayment on maturity	November 16, 2021	700.00	1.00	-	-
11.01% Market Linked Debentures	Bullet repayment on maturity	September 16, 2022	700.00	1.00	-	-
11.00% Non Convertible Debentures		June 01, 2023	1,000.00	10.00	-	-
10.85% Non Convertible Debentures	Bullet repayment after 36 months from issue date	June 26, 2023	3,500.00	10.00	-	-

(Currency : Indian Rupees in lakhs)

	months from issue date					
11.00% Non Convertible Debentures		July 30, 2023	2,500.00	10.00	-	-
11.01% Market Linked Debentures	Bullet repayment on maturity	September 16, 2023	800.00	1.00	-	-

Total	**11,283.33**	**2,500.00**
Less: Effective interest rate (EIR) impact	(60.55)	(17.94)
Add: Interest accrued	710.62	0.69
Total	**11,933.40**	**2,482.75**

* The Non Convertible Debentures have been prepaid during Financial Year 2020-21.

Note:

i) Non Convertible Debentures are issued at Fixed Coupon Rate.

ii) Market Linked Debentures are carrying variable interest rate which is linked to performance of specified indices over the tenure of the debentures. The embedded value of the derivative is negligible and is likely to remain negligible throughout the tenure of debentures. Therefore the market linked debentures have been classified at amortised cost.

iii) All secured Non Convertible Debentures are secured by way of Exclusive charge against loan receivables. Pari passu charge over the immovable property of the Company towards the listed Non convertible debentures issued (other than Market linked Non convertible debentures).

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
14 ***Borrowings (Other than debt securities)***			
14.1 Borrowings at amortised cost			
I a) Term Loans (Secured) (Refer Note 14.3)			
i) from banks	13,960.46	18,918.82	4,988.07
ii) from others	1,109.74	1,471.29	-
b) Borrowing from securitisation / Payable for securitisation (Refer Note 14.4)	1,538.62	2,062.15	-
c) Inter corporate borrowings (Refer Note 14.5)	-	-	9,023.63
Total	**16,608.82**	**22,452.26**	**14,011.70**
Of the Above			
II i) Borrowings in India	16,608.82	22,452.26	14,011.70
ii) Borrowings outside India	0.00	0.00	0.00
Total	**16,608.82**	**22,452.26**	**14,011.70**

14.3 Repayment terms of term loans

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Repayable within 1 year	4,450.00	6,068.18	1,818.18
Repayable within 1 year to 3 years	8,987.50	9,863.64	3,181.82
Repayable after 3 years	1,830.30	4,770.83	-
Total Principal	**15,267.80**	**20,702.65**	**5,000.00**
Add: Interest accrued but not due	8.05	26.63	21.44
Add/(less): Effective interest rate (EIR) impact	(205.65)	(339.17)	(33.37)
Total	**15,070.20**	**20,390.11**	**4,988.07**

(Currency : Indian Rupees in lakhs)

Interest Rate : Term loans are borrowed at floating rate of interest ranging from 8.85% p.a. to 11% p.a.(As at March 31, 2020 - 9.70% to 11% and As at April 01, 2019 - 11%)

Security : Security for term loans is exclusive charge against the education loan receivables.
The borrowings have not been guaranteed by directors or others. Also there is no default in repayment of borrowing and interest on bank term loans.

14.4 Repayment terms of borrowing from securitisation

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Repayable within 1 year	232.11	336.17	-
Repayable within 1 year to 3 years	565.88	799.08	-
Repayable after 3 years	742.64	906.59	-
Total	**1,540.63**	**2,041.84**	**-**
Add: Interest accrued but not due	**7.14**	20.31	
Add/(less): Effective interest rate (EIR) impact	(9.15)	0.00	-
Total	**1,538.62**	**2,062.15**	**-**
Details of Interest rate and Security			
a. Rate of interest	**10.75%**	**10.75%**	**0.00%**
b. Borrowing from securitisation is secured by cash collateral in the form of fixed deposit	117.34	117.34	-

14.5 Repayment terms of inter corporate borrowings

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
a) 10% Inter Corporate Deposit payable by September 21, 2019	-	-	1,000.00
b) 10% Inter Corporate Deposit payable by September 18, 2019	-	-	1,700.00
c) 10% Inter Corporate Deposit payable by August 31, 2019	-	-	900.00
d) 10% Inter Corporate Deposit payable by August 20, 2019	-	-	1,800.00
e) 10% Inter Corporate Deposit payable by July 10, 2019	-	-	1,800.00
f) 10% Inter Corporate Deposit payable by June 29, 2019	-	-	1,800.00
Total	**-**	**-**	**9,000.00**

15. Other financial liabilities

Employee benefits payable	1.70	5.58	2.09
Advances received from customers (Refer Note below)	626.81	617.19	344.98
Provision for expenses	135.08	232.12	146.30
Liability component on account of Preference Shares*	0.00	0.00	0.00
Total	**763.59**	**854.89**	**493.37**

* - Less than Rs. 500 as on March 31, 2021, March 31, 2020 and April 01, 2019
Note - Advance received from customers includes amounts received towards advance installments and Debt Service Reserve Account.

(Currency : Indian Rupees in lakhs)

16. Provisions

Provision for Employee Benefits			
i) Gratuity (Refer Note - 38.B)	45.25	29.10	15.31
ii) Compensated absences	32.66	15.31	11.83
Total	**77.91**	**44.41**	**27.14**

17. Other non-financial liabilities

Income received in advance	14.07	32.14	28.59
Statutory dues payable	34.53	58.81	45.56
Total	**48.60**	**90.95**	**74.15**

18. Equity share capital

a) Share capital authorised, issued, subscribed and paid up

Particulars	As at March 31, 2021		As at March 31, 2020		As at April 01, 2019	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Authorised:						
Equity Shares of Rs. 10 each	2,00,00,00,000	2,00,000.00	2,00,00,00,000	2,00,000.00	22,50,00,000	22,500.00
Optionally Convertible Preference Shares of Rs. 10 each (OCPS)	80,00,000	800.00	80,00,000	800.00	80,00,000	800.00
	2,00,80,00,000	**2,00,800.00**	**2,00,80,00,000**	**2,00,800.00**	**23,30,00,000**	**23,300.00**
Issued, Subscribed and fully paid up:						
Equity Shares of Rs. 10 each	34,40,62,153	34,406.22	34,40,62,153	34,406.22	15,00,00,000	15,000.00
	34,40,62,153	**34,406.22**	**34,40,62,153**	**34,406.22**	**15,00,00,000**	**15,000.00**

b) Reconciliations of the number of equity shares and share capital :

Particulars	As at March 31, 2021		As at March 31, 2020		As at April 01, 2019	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Issued, Subscribed and fully paid up:						
Outstanding at the beginning of year	34,40,62,153	34,406.22	15,00,00,000	15,000.00	15,00,00,000	15,000.00
Add: Shares issued during year	-	-	19,40,62,153	19,406.22	-	-
Outstanding at the end of the year	**34,40,62,153**	**34,406.22**	**34,40,62,153**	**34,406.22**	**15,00,00,000**	**15,000.00**

c) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

Balrampur Chini Mills Limited and Elme Advisors LLP shall not Transfer, any of the Securities of the Company held by them to any Person without the prior written consent of ICICI Bank Limited for a period of three years from the date of the allotment of shares to ICICI Bank Limited (the 'closing date') in case such transfer results in (i) their aggregate equity shareholding in the Company going below fifty-one per cent of the paid-up equity share capital of the Company (calculated on a fully diluted basis) or (ii) there is change in the proportion of shareholding inter-se between them as on the closing date.

l) **Shareholder holding more than 5% shares as at the end of the year :**

Name of Shareholders	As at March 31, 2021		As at March 31, 2020		As at April 01, 2019	
	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
Equity Shares						
Balrampur Chini Mills Limited	15,50,00,000	45.05%	15,50,00,000	45.05%	7,50,00,000	50.00%
Elme Advisors LLP	15,50,00,000	45.05%	15,50,00,000	45.05%	7,42,50,000	49.50%
ICICI Bank Limited	3,40,62,153	9.90%	3,40,62,153	9.90%	-	0.00%
OCPS						
Neeraj Saxena	80,00,000	100%	80,00,000	100%	80,00,000	100%

e) **Increase in Authorised Share Capital, Rights issue and Preferential issue**

i) During the financial year ended March 31, 2021, there was no change in Authorised Share Capital of the Company. The Company increased its share capital to Rs. 200,800 lakhs (divided into Rs. 200,000 Equity Share Capital and Rs. 800 lakhs Preference Share Capital) during the previous year ended March 31, 2020.

18. Equity share capital

ii) Details of the shares issued are as follows:

Name of party	Face Value (in Rupees)	Issue Price (in Rupees)	Year ended March 31, 2021	Year ended March 31, 2020
Akash Bhanshali	10	10	-	7,50,000
Elme Advisors LLP	10	10	-	7,42,50,000
Elme Advisors LLP	10	15	-	50,00,000
Balrampur Chini Mills Ltd	10	10	-	7,50,00,000
Balrampur Chini Mills Ltd	10	15	-	50,00,000
ICICI Bank Limited	10	15	-	3,40,62,153
			-	**19,40,62,153**

f) **Dividend Payment**

No dividend is paid during the year or recommended by the Board Of Directors for the year ended as on March 31, 2021.

g) **Optionally convertible preference shares**

The Company has three classes of Optionally Convertible preference shares (OCPS) having a face vale of Rs.10 per share.

Type of share	No. of Shares	Amount paid up per share	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
0.001% Class A OCPS	26,66,667	10.00 Rupees	266.67	2.40	2.40
0.001% Class B OCPS	26,66,667	0.10 Rupees	2.67	2.67	2.67
0.001% Class C OCPS	26,66,666	0.11 Rupees	2.93	2.93	2.93
Total			**272.27**	**8.00**	**8.00**

h) **Terms of issue of Optionally convertible preference shares**

1. The OCPS shall carry cumulative right of dividend at a fixed rate of 0.001% per year and such dividend shall have a priority over any dividend rights of the equity shares of the Company.

2. In the event of winding up of the Company, the holder of OCPS will be entitled to a preferential right of return of the amount paid-up on the OCPS due on the date of winding-up.

3. The OCPS shall be non-participating in the surplus funds and profits, on winding up which may remain after the entire capital has been paid.

4. The holder of OCPS will not have any voting rights, other than as specifically provided under section 47 (2) of the Companies Act, 2013 in respect of Preference Share capital represented by OCPS.

5. Conversion: Each OCPS shall be convertible into 1 (one) equity share ("Conversion Ratio") subject to fulfilment of applicable conditions.

(Currency : Indian Rupees in lakhs)

6. Class A OCPS becoming fully paid up provides the Preference Shareholder the right to request the conversion of 26,66,667 Class A 0.001% OCPS into equivalent number of Equity Shares that is 26,66,667 on or prior to April 30, 2021. In the event that Class A OCPS is not converted as per the Conversion Ratio on or prior to April 30, 2021 ("Non-Converted Class A OCPS"), then the Company shall be entitled to redeem the Non-Converted Class A OCPS at a price of Rs. 10 (Rupees ten) each.

i) Details of OCPS are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Face value of OCPS (Rupees per share)	10	10	10
Paid up value of the OCPS	272.27	8.00	8.00
Financial Liability component of the OCPS *	0.00	0.00	0.00
Interest expense over the tenure *	0.00	0.00	0.00
Equity component of the OCPS	272.27	8.00	8.00

* - Less than Rs. 500 as on March 31, 2021, March 31, 2020 & April 01, 2019

j) Shares reserved for issue under options

Refer Note 39 for details of shares to be issued under the Employee Stock Option Plan.

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
19. Other equity			
a) Securities premium	2,203.11	2,203.11	-
b) Statutory reserve	391.32	198.87	0.14
c) Equity component of compound financial instrument	272.27	8.00	8.00
d) Employee stock options	513.00	372.24	217.26
e) Retained earnings	(532.23)	(1,302.01)	(1,411.56)
f) Other comprehensive income	(0.71)	(0.72)	-
Total	**2,846.76**	**1,479.49**	**(1,186.16)**

A. Nature and purpose of reserves

a. Securities premium reserve

Securities premium account represents the amount of premium received by the Company on the issuance of shares. The utilisation of the Securities premium is restricted to purposes specified in the Companies Act, 2013.

b. Statutory reserve

Statutory Reserve: As per Section 45-IC of the Reserve Bank of India Act, 1934 ("The RBI Act"), the Company is transferring an amount of 20% of its net profits to a reserve fund before declaring any dividend. Amount of transfer to statutory reserve for the year ended March 31, 2020 has been calculated as 20% of profit reported under previous GAAP. This number has not been restated as per Ind AS.Amount of transfer to statutory reserve for the year ended March 31, 2021 is calculated as 20% of profit reported under Indian Accounting Standard (Ind AS).

c. Equity component of compound financial instrument

Equity component of compound financial instrument account represents the equity component of an Optionally convertible Preference share which is a compound financial instrument.

d. Employee stock options

Share options outstanding reserve account is used to record the value of equity settled share based payment transactions with the employees under its employee share options payment plan.

e. Retained Earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

f. **Other Comprehensive income**

It represents the gain / loss on account of actuarial valuation of defined benefit obligation.

(Currency : Indian Rupees in lakhs)

B. Movement in Other equity

		As at March 31, 2021	As at March 31, 2020
a) Securities premium			
Opening balance		2,203.11	-
Add : Premium Received on issue of equity shares		-	2,203.11
Closing Balance	(a)	**2,203.11**	**2,203.11**
b) Statutory reserve			
Opening balance		198.87	0.14
Add : Transfer from retained earnings		192.45	198.73
Closing Balance	(b)	**391.32**	**198.87**
c) Equity component of Compound financial instrument			
Opening balance		8.00	8.00
Add : Addition during the year		264.27	-
Closing Balance	(c)	**272.27**	**8.00**
d) Employee stock options			
Opening balance		372.24	217.26
Add : Additions during the year		140.76	154.98
Closing Balance	(d)	**513.00**	**372.24**
e) Retained Earnings			
Opening balance		(1,302.73)	(1,411.56)
Add: Profit for the year		962.23	308.28
Add: Other comprehensive income		0.01	(0.72)
Amount available for appropriation		**(340.49)**	**(1,104.00)**
Appropriations:			
Transfer to statutory reserve		192.45	198.73
Employee stock options			
Lease equalisation reserve reversed		-	-
Closing Balance	(e)	**(532.94)**	**(1,302.73)**
	(a+b+c+d+e)	**2,846.76**	**1,479.49**

	For the year ended March 31, 2021	For the year ended March 31, 2020
20. Interest income		
a) On financial assets measured at amortised cost		
Interest income on loans	6,909.68	5,275.88
Interest Income on Fixed deposits	450.49	5.17
b) Interest income on financial assets measured at Fair value through profit and loss (FVTPL) / Fair value through other comprehensive income (FVOCI)		
Interest income from investment	-	-
Total	**7,360.17**	**5,281.05**
21. Fee and commission income		
Service income	21.26	44.42
Commission income	10.96	41.33
Total	**33.22**	**85.75**

Revenue from contract with Customers

Set out below is the revenue from contracts with customers and reconciliation to Statement of profit and loss.

(Currency : Indian Rupees in lakhs)

Type of Services		
Fees and commission income	32.22	85.75
Total Revenue from contract with Customers	**32.22**	**85.75**
Geographical Markets		
India	32.22	85.75
Outside India	-	-
Total Revenue from contract with Customers	**32.22**	**85.75**
Timing of revenue recognition		
Services transferred at a point in time	32.22	85.75
Services transferred over time	-	-
Total Revenue from contract with Customers	**32.22**	**85.75**
Contract Balance		
Trade Receivables	41.30	70.40

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

22. Net gain on fair value change

On trading portfolio	116.52	100.28
Investments at Fair value through profit and loss (FVTPL)		
Profit on liquid mutual funds	116.52	100.28
Total	**116.52**	**100.28**
Realised	116.52	100.28
Unrealised	-	-
Total	**116.52**	**100.28**

23. Other income

Fee income and other charges	54.10	105.00
Unwinding of discount on security deposits	4.43	5.10
Miscellaneous income	0.67	0.70
Total	**59.20**	**110.80**

Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
24. Finance costs		
On Financial liabilities measured at amortised cost		
a) Interest on borrowings (other than debt securities)	2,150.64	1,674.63
b) Interest on debt securities	1,028.74	38.78
c) Interest - lease liabilities	27.55	29.28
d) Interest - others	5.04	4.90
e) Other Borrowing costs	51.92	30.04
Total	**3,263.89**	**1,777.63**
25. Impairment on financial assets		
Impairment loss allowance (Refer Note - 41.A.vi)		
i) On Financial assets measured at amortised cost		
a) Loans	78.04	231.47
b) Fixed deposits	(0.04)	0.46
c) Others	0.04	0.10
ii) Write off of loans	0.83	-
Total	**78.87**	**232.03**

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

(Currency : Indian Rupees in lakhs)

26. Employee Benefits Expenses

a) Salaries, bonus and allowances (Refer Note - 37)	1,641.41	1,484.74
b) Contribution to provident fund and other funds	67.21	66.15
c) Gratuity expense	16.17	12.83
d) Compensated absences	17.36	3.48
e) Share based payments to employees / employee stock option expense (Refer Note - 39)	140.77	154.98
f) Staff welfare	30.00	33.41
Total	**1,912.92**	**1,755.59**

27. Others expenses

a) Advertisement and publicity	25.56	272.54
b) Auditor's fees and expenses (Refer note below)	35.31	25.44
c) Business sourcing expenses	2.20	6.20
d) Communication cost /IT expenses	395.87	298.91
e) Directors fees, allowances	8.50	6.54
f) Legal and professional fees	151.86	123.35
g) Loss on sale of fixed assets (net)	-	0.11
h) Printing and stationery	12.57	23.22
i) Rates, duties and taxes	1.80	151.45
j) Rent (net of discount concession received)	22.31	25.09
k) Repairs and maintenance	52.27	55.48
l) Travelling and conveyance	18.06	61.64
m) Miscellaneous expenses	1.01	2.28
Total	**727.32**	**1,052.25**

27.1 Auditors' fees and expenses

Payments to auditor		
a) Audit fees	20.00	19.00
b) Internal control over financial reporting fees	2.00	2.00
c) Certification	2.00	2.00
d) Other services	8.00	-
e) Out of pocket expenses	0.39	0.34
Total	**32.39**	**23.34**

Auditors' remuneration above is exclusive of Goods and Service Tax.

28. Disclosure pursuant to Ind AS 12 "Income Taxes"

28.1 Major components of tax expense/(income):

	Year Ended March 31, 2021	Year Ended March 31, 2020
I. Profit and Loss section		
(i) Current income tax:		
Current income tax expense	330.90	60.68
Tax expense in respect of earlier years	(35.44)	-
(ii) Deferred tax:		
Tax expense on origination and reversal of temporary differences	61.59	178.15
Income tax expense reported in Profit and Loss (i + ii)	**357.05**	**238.83**
II. Other Comprehensive Income (OCI) section:		
Income tax expense / (gain) relating to items that will not be reclassified to profit and loss	0.01	(0.24)
Income tax expense reported in the OCI section	**0.01**	**(0.24)**

(Currency : Indian Rupees in lakhs)

28.2 Reconciliation of tax expense and the accounting profit

The Company has elected to exercise the option permitted under Section 115BAA of the income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for the year ended March 31, 2021 and March 31, 2020.

A reconciliation of income tax provision to the amount computed by applying statutory income tax rate to the income before taxes is summarised below.

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
(a) Profit before tax	1,319.28	547.11
(b) Corporate tax rate as per Income tax Act, 1961	25.17%	25.17%
(c) Tax on Accounting profit (c) = (a) * (b)	332.04	137.70
(d) Tax impact due to		
(i) Employee share-based payment expense	35.43	39.01
(ii) Expense on account of increase in authorised share capital	-	37.91
(iii) Lease equalisation reserves reversal	-	(0.25)
(iv) Shortfall on Loss set off	-	18.61
(v) I GAAP Provision reversed under Ind AS	-	(6.42)
(vi) Adjustment of Deferred tax and current tax of prior periods	(10.40)	11.73
(vii) Other amounts	(0.01)	0.30
Total effect of tax adjustments [(i) to (vii)]	**25.02**	**100.89**
(e) **Income tax expense reported in Profit and Loss**	357.07	238.35
(f) Income tax expense reported in the OCI section	(0.01)	0.24
(g) **Total Income tax expnese (e+f)**	**357.06**	**238.59**
(h) **Effective tax rate (h)=(g)/(a)**	**27.07%**	**43.57%**

28.3 Movement in Deferred Taxes

(A) Movement in deferred tax balances for the year ended March 31, 2021

Particulars	As at March 31, 2020	Recognised in profit and loss	Recognised in OCI	As at March 31, 2021
Deferred tax asset/ (liabilities)				
i) Depreciation and amortisation	(1.74)	4.98	-	3.24
ii) Provision for Gratuity	7.33	4.07	(0.01)	11.39
iii) Provision for Compensated absences	3.85	4.37	-	8.22
iv) Amortization of Preliminary Expenses	0.17	(0.17)	-	-
v) Unwinding of discount on security deposit and prepaid rent expenses	0.09	0.15	-	0.24
vi) Leases	4.50	1.41	-	5.91
vii) Effective interest rate (EIR) impact on Borrowings and Loans	90.18	(78.62)	-	11.56
viii) Impairment loss allowance	85.27	2.21		87.48
Total	**189.65**	**(61.59)**	**(0.01)**	**128.05**

(B) Movement in deferred tax balances for the year ended March 31, 2020

Particulars	As at April 01, 2019	Recognised in profit and loss	Recognised in OCI	As at March 31, 2020
Deferred tax asset/ (liabilities)				
i) Difference between WDV as per books and tax books	(3.28)	1.54	-	(1.74)
ii) Provision for Gratuity	3.99	3.10	0.24	7.33
iii) Provision for Compensated absences	3.07	0.78	-	3.85
iv) Operating lease liability	1.70	(1.70)	-	-
v) Amortization of Preliminary Expenses	0.35	(0.18)	-	0.17
vi) Unwinding of discount on security deposit and prepaid rent expenses	0.14	(0.05)	-	0.09
vii) Leases	-	4.50	-	4.50
viii) Effective interest rate (EIR) impact on Borrowings and Loans	55.58	34.60	-	90.18
ix) Impairment loss allowance	27.75	57.52	-	85.27
x) Carried forward business loss	278.25	(278.25)	-	-
Total	**367.56**	**(178.15)**	**0.24**	**189.65**

* Deferred tax impact on optionally convertible preference shares are considered to be immaterial.

(C) Amounts recognised in respect of current tax / deferred tax directly in equity:

Particulars	As at March 31, 2021	As at March 31, 2020
Amounts recognised in respect of current tax / deferred tax directly in equity	-	-

28.4 Tax losses

Unused tax losses for which no deferred tax asset has been recognised	-	-

29. Leases

This note explains the impact of the adoption of Ind-AS 116 Leases on the financial statements.

Under the erstwhile standard, Ind-AS 17 - Leases, the leases in which a substantial portion of the risk and rewards of the ownership were retained by the lessor were classified as operating leases. Under Ind-AS 116, the Company recognises right-of-use assets (ROU) and lease liabilities for leases i.e. these leases are on the balance sheet. Lease liabilities as at 01 April 2019 were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate. The weighted average of lessee's incremental borrowing rate applied to the lease liabilities as at April 1, 2019 was 11%. This change is in accordance with the transitional provisions of Ind-AS 116.

Effective April 1, 2019, the Company has adopted Ind-AS 116 - Leases and applied it to all lease contracts existing on April 1, 2019 using the modified retrospective method measuring the asset at an amount equal to the lease liability on the date of initial application i.e. April 1, 2019 adjusted by the amount of any prepaid or accrued lease payments recognised immediately before the date of initial application. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of Rs 291.58 lakhs and a lease liability of Rs 291.58 lakhs.

i) Practical expedients applied

The Company has elected not to reassess the previously identified leases applying Ind-AS 17 - Leases i.e. as to whether a contract is, or contains a lease at the date of initial application. Further, In applying Ind-AS 116 for the first time, the Company has also used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics.

- relying on its previous assessment of whether leases are onerous under Ind-AS 37 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application as an alternative to performing an impairment review.

- there were no onerous contracts as at April 1, 2019.

- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application.

- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Company has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Company. ROU has been included after the line 'Property, Plant and Equipment' and Lease Liability has been included under 'Lease Liabilities' in the Balance Sheet.

In pursuance of the notification issued by the Ministry of Corporate Affairs dated July 24, 2020, the Company has elected to apply the practical expedient arising on account of Covid-19 not to account for the changes in the lease payments as a lease modification as it satisfies the conditions mentioned in the paragraph 46B of Ind AS 116.Accordingly since the Company has used exemption for rent concessions received as defied under practical expedient. There is no changes are made to Right of Use Assets due to this.

The Company has availed the exemption for all the rent concessions received which have satisfied the criteria mentioned in Para 46B of practical Expedient to eligible to avail this exemption.

The amount of Rs. 11.16 Lakhs received as rent concessions have been reduced from gross expenditure towards rent. Refer Note 28 other expenses

(i) Amount recognised in balance sheet	**As at March 31, 2021**	**As at March 31, 2020**	**As at April 01, 2019**
a) Right-of-use assets	244.11	312.38	291.58
b) Lease Liabilities	267.61	330.27	291.58

(ii) Amount recognised in Statement of Profit and Loss

		For the year ended March 31, 2021	**For the year ended March 31, 2020**
(a) Depreciation charge of right-of-use assets (included in Depreciation Note - 10)		151.83	122.74
(b) Interest expense (included in finance costs)		27.55	29.28
(c) Expense relating to short-term leases		-	-
	Total	**179.38**	**152.02**
Additions to Right of use assets		83.56	143.54

(iii) The total cash outflow for leases for the year:	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
The total cash outflow of leases	162.14	133.43

30. Earning per Share

	Year Ended March 31, 2021	**Year Ended March 31, 2020**
Basic earning per share		
a) Profit after tax attributable to equity shareholders for Basic EPS	962.23	308.28
b) Weighted average no. of equity shares outstanding during the year for Basic EPS	3,440.62	2,654.76
c) Nominal value of equity shares (Rs. per share)	10.00	10.00
d) Basic earnings per share (EPS) (Rs. per share)	0.28	0.12
Diluted earning per share		
e) Profit after tax attributable to equity shareholders for Diluted EPS	962.23	308.28
f) Weighted average no. of equity shares outstanding during the year for diluted EPS	3,477.60	2,712.69
g) Nominal value of equity shares (Rs. per share)	10.00	10.00
h) Diluted earnings per share (EPS) (Rs. per share)	0.28	0.11

Basic EPS is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity share outstanding during the year.

Diluted EPS is calculated by dividing the profit or the year attributable to equity holders by the weighted average number of equity share outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity share into equity share.

(Currency : Indian Rupees in lakhs)

31. Commitments and contingencies

	Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
A.	**Contingent liabilities**			
i)	Credit enhancement provided by the Company for the loans under securitisation arrangements (including cash collaterals)	117.34	117.34	-
ii)	Demand of income tax FY 2017-18 (AY 2018-19) #	2.05	-	-
B.	**Capital commitments**			
i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	0.96	5.50	12.82
ii)	Undisbursed commitments in respect of the Education loan agreements *	4,932.44	6,659.48	5,091.08

\# **Demand of Income Tax FY 2017-18 (AY 2018-19)**
The Company has filed rectification appeal u/s 154 of the Income Tax Act,1961 in respect of demand received. Based on assessment made, the management is in the view that the likelihood of matter being decided against the company is remote.

* The Company has unconditional rights under the loan agreements to cancel these commitments at any time.

C. Company does not have any litigations which are pending against the company as of March 31, 2021.

32. The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts has been made in the books of accounts.

33. The Company has evaluated the Supreme Court Judgment in case of Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. In Company's assessment, the above judgement is not likely to have a significant impact and therefore presently no provision has been made in the Financial Statements.

34. Dues to Micro, Small Enterprises

Disclosure pertaining to Micro and Small Enterprises is as under - The details of amounts outstanding together with interest paid /payable to Micro and Small enterprises based on information available with the Company is as under:

		As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
i)	Amounts outstanding but not due as at March 31/April 1,	-	-	-
ii)	Amounts due but unpaid as at March 31/April 1,	-	-	-
iii)	Amounts paid after appointed date during the year	-	-	-
iv)	Amount of interest accrued and unpaid as at March 31/April 1,	-	-	-
v)	Amount of estimated interest due and payable for the period from March 31/April 1, to actual date of payment or Board meeting date (whichever is earlier)	-	-	-
vi)	The amount of further interest remaining due and payable even in the succeeding years	-	-	-

35. Segment Reporting

Since the Company operates in one segment namely "Education Loans" and it provides service facilities in India, there are no separate reportable segments as per Ind AS 108, Operating Segments. Thus, the segment revenue, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortisation during the year are all as are reflected in the financial statements as at and for the year ended March 31, 2021. The Company does not have any assets and revenue outside India. Currently, there is no single external customer which contributes an amount of 10% or more than the Company's total revenue.

36. Expenditure on Corporate Social Responsibility

The Company has not incurred/ provided any expenses towards Corporate Social Responsibility as mandated by Section 135 of the Companies Act, 2013 ("the Act"). The Company has made its assessment of the book profit as per Section 198 of the Act and the same is below the threshold limits specified under the Section 135 of the Act.

37. Related Party Disclosure

As per the requirement of Ind AS 24, on related party disclosures, the name of the related parties with the description of the relationship and transactions between the reporting enterprise and its related parties, as identified by the management are as follows :

37.1 List of related parties

A. Entities / Persons having Significant Influence

Balrampur Chini Mills Ltd.
Elme Advisors LLP
Akash Bhanshali

B. Key management personnel (KMP)

Neeraj Saxena, Managing Director and Chief Executive Officer
Akash Bhanshali, Director
Sanjay Asher, Director (till January 22, 2020)
Manish Chokhani, Director
Gautam Jain, Director
Ashwin Jain, Director
Chinnathambi Ilango, Director (w.e.f. May 29, 2020)
Vivek Saraogi, Director

37.2 Transactions with Related parties during the year

No.	Nature of Transaction	Nature of relationship	Name of Party	Year Ended March 31, 2021	Year Ended March 31, 2020
1	**Issue of equity shares**	Entities / Persons having Significant Influence	Balrampur Chini Mills Limited	-	8,250.00
			Elme Advisors LLP	-	8,175.00
			Akash Bhanshali	-	75.00
2	**Managerial Remuneration***				
	Short-term employee benefits	Key Management Personnel		354.23	112.79
	Employee Stock Option#	Key Management Personnel		36.86	36.96
3	**Sitting Fees**	Key Management Personnel	Manish Chokhani	3.80	2.80
		Key Management Personnel	Sanjay Asher	-	3.20
		Key Management Personnel	Chinnathambi Ilango	4.00	-

* Incentives / bonus / gratuity are considered on payment basis and inclusive of variable pay
# additionally the key management personnel holds 80 lakhs OCPS are accounted in accordance with *Ind AS 102 Share based payments* amounting to Rs. 68.70 lakhs (previous year Rs. 68.89 lakhs)

4 There is no balance outstanding towards transactions disclosed above as on March 31, 2021 and March 31, 2020.

38. Employee benefits - Disclosure pursuant to Ind AS 19 'Employee Benefits'

A. Defined contribution plans

The Company makes Provident fund contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits

The Company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

(Currency : Indian Rupees in lakhs)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Provident fund	67.21	66.15

B. Defined Benefit Plan

I The Company has an obligation towards gratuity, a non funded defined benefit plan covering eligible employees. Vesting for gratuity occurs u completion of five years of service. Details of the unfunded post retirement benefit plans for its employees are given below which is as certifiec the actuary.

Gratuity Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19) as below.

a) Changes in Present Value of Defined Benefit Obligation	Year Ended March 31, 2021	Year Ended March 31, 2020
Present Value of Benefit Obligation at the Beginning of the year	29.10	15.32
Current Service Cost	14.35	11.66
Interest Expense/(Income)	1.82	1.17
Settlement Cost (Credit)/Cost	-	-
Total Amount Recognised in Profit and Loss	**16.17**	**12.83**
Actuarial (Gain)/loss from change in demographic assumptions	-	(2.77)
Actuarial (Gain)/loss from change in financial assumptions	(0.05)	1.24
Experience (gains)/losses	0.03	2.48
Total Amount Recognised in Other Comprehensive Income	**(0.02)**	**0.95**
Present Value of Benefit Obligation at the End of the year	**45.25**	**29.10**
Change in plan assets:		
Fair value of plan assets, beginning of the year	-	-
Expected return on Plan Assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial Gain (loss) on plan assets	-	-
Fair value of plan assets, end of the year	-	-

b) Amount recognized in the balance sheet consists of:	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Present value of defined benefit obligation	45.25	29.10	15.32
Fair value of plan assets	-	-	-
Net liability	**45.25**	**29.10**	**15.32**

c) The amounts recognised in the Statement of Profit and Loss are as follows:		Year Ended March 31, 2021	Year Ended March 31, 2020
Service Cost			
Current service cost		14.35	11.66
Past service cost		-	-
Total Service cost	(i)	**14.35**	**11.66**
Net interest cost			
Interest expense on DBO		1.82	1.17
Interest expense / (income) on plan assets		-	-
Total Interest cost	(ii)	**1.82**	**1.17**
Defined benefit cost included in Statement of Profit and Loss	(iii) - (i + ii)	**16.17**	**12.83**
Total remeasurement in other comprehensive income (OCI)	(iv)	(0.02)	0.95
Total Defined benefit cost included in Statement of Profit and loss and OCI	(v) = (iii + iv)	16.15	13.78

d) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

	As at March 31, 2021	As at March 31, 2020
Discount rate	6.06%	6.24%
Rate of Salary Increase next year	4.00%	0.00%
Rate of Salary Increase post next year	4.00%	5.00%
Rate of employee turnover	15.00%	15.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult

e) The major categories of plan assets are as follows:

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
a) Insurer managed funds	-	-	-
b) Cash	-	-	-

f) Impact on defined benefit obligation - Sensitivity Analysis

	Year Ended March 31, 2021 % Rate	2021 Amount	2020 % Rate	2020 Amount
Increase by 100 basis points				
i) Impact of change in discount rate	7.06%	(2.53)	7.24%	(1.87)
ii) Impact of change in salary growth rate	5.00%	2.83	1.00%	2.10
iii) Impact of change in employee attrition rate	16.00%	(0.61)	16.00%	(0.74)
Decrease by 100 basis points				
i) Impact of change in discount rate	5.06%	2.80	5.24%	2.08
ii) Impact of change in salary growth rate	3.00%	(2.60)	-1%	(1.65)
iii) Impact of change in employee attrition rate	14.00%	0.59	14.00%	0.74

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.
The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

g) Maturity

The defined benefit obligations shall mature after year end as follows:

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
i) 1st Following Year	0.16	0.11	0.06
ii) 2nd Following Year	4.71	0.10	0.06
iii) 3rd Following Year	6.26	3.28	0.06
iv) 4th Following Year	6.58	4.59	1.55
v) 5th Following Year	6.28	4.58	2.26
vi) Sum of Years 6 to 10	22.78	17.19	9.55
vii) Sum of Years 11 and above	21.45	17.23	20.12

The weighted average duration of the defined benefit obligation is 8 years (previous year - 12 years).

h) Risk Exposure

Gratuity is a defined benefit plan and Company is exposed to the Following Risks:
Interest rate risk: A fall in the discount rate which is linked to the Government Security Rate will increase the present value of the liability requiring higher provision.
Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.
Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity

II Accumulated Compensated Absences

The Company provides for accumulated compensated absences as at the balance sheet date on the basis of actuarial valuation. The Company recognised Rs. 17.36 Lakhs (previous year Rs. 3.48 Lakhs) for compensated absences in the statement of Profit and loss.

C Impact of Code on Social Security, 2020

The Indian Parliament has approved the Code on social security, 2020 which may impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying and financial impact are yet to be determined. The Company will complete its evaluation and will give appropriate impact in the financial statements in the year in which, the code becomes effective and the related rules to determine the financial impact are notified.

(Currency : Indian Rupees in lakhs)

39. Share based payment arrangement (Employee Stock Option Plan)

39.01 The Company's Employee Stock Option Scheme 2017 (ESOP 2017) represents an equity settled option scheme that the Company has issued to its employees. The Plan provides that the Company's employees are granted an option to acquire equity shares of the Company that vest in a graded manner that are subject to satisfaction of the vesting conditions like continuous service, performance conditions. Once vested, the options may be exercised within a period of 10 years.

The fair value of the options at grant date is determined using Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying shares, the expected dividend yield and the risk free interest rate for the term of the options. The compensation costs, if any, is amortised on a straight line basis.

During the year, the Company granted stock options to employees under the ESOP 2017 Plan where the exercise price was linked to the fair value of shares on the date of the grant.

39.02 Movements in the number of share options outstanding under the ESOP Scheme 2017 is set out below:

	As at March 31, 2021		As at March 31, 2020	
	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
Options outstanding at the beginning of the year*	1,75,65,000	10.09	1,75,00,000	10.00
Granted	4,50,000	15.00	4,05,000	12.74
Vested	-	-	-	-
Exercised	-	-	-	-
Forfeited/Cancelled	(7,80,000)	10.38	(3,40,000)	10.41
Lapsed/Expired	-	-	-	-
Options outstanding at the end of the year	**1,72,35,000**	**10.21**	**1,75,65,000**	**10.09**
Options exercisable at the end of the year/ period	-		-	

* This includes OCPS which has been accounted as per Ind AS 102

39.03 Vesting period

Vesting period	**As at March 31, 2021**	**As at March 31, 2020**	**As at April 01, 2019**
3 - 4 years from grant date	60,36,167	60,16,667	58,01,667
4 - 5 years from grant date	56,59,167	57,53,667	58,01,667
5 - 6 years from grant date	55,39,667	57,94,667	58,96,667
Total	**1,72,35,000**	**1,75,65,000**	**1,75,00,000**

Weighted average contractual life of options remaining outstanding at end of year is 4.47 years.

39.04 Fair value options

The fair value of options have been estimated as on the date of the grant using "Black Scholes" model. The key assumptions used in the model for calculating the fair value as on the date of grant are as follows:

	ESOP 2017	**ESOP 2017**	**ESOP 2017**	**ESOP 2017**	**ESOP 2017**
Grant Date	June 8, 2020	April 19, 2019	October 24, 2018	July 25, 2018	Jan 24, 2018
Share price	10	10	10	10	10
Exercise price	15	11.48	10.53	10.42	10
Risk-free interest rate	5.81%	7.42%	7.78%	7.78%	7.44%
Expected life of the option	3 years to 5 years	3 years to 5 years	4 years to 6 years	4 years to 6 years	3.5 years to 6 years
Expiry Date (from vesting date)	10 years	10 years	10 years	10 years	10 years
Expected volatility	32.33%	32.20%	32.34%	32.34%	33.50%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%
Fair Value of Options	2.94 to 4.28	3.59 to 4.84	3.99 to 5.03	3.93 to 4.96	3.5 to 4.76

The expected life of the share option is based on the management's current expectations and not necessarily indicative of exercise pattern that may occur. The volatility of the options is based on the historical volatility of listed comparable companies.

(Currency : Indian Rupees in lakhs)

39.05 Expenses recognised in statement of profit and loss

	For the year ended March 31, 2021	For the year ended March 31, 2020
ESOP expenses/Share based payments recognised in profit and loss	140.77	154.98

40. Fair Value Measurement

The fair value is the amount at which financial instruments could be sold on fair terms as of the reporting date. Where market prices (e.g. for marketable securities) were available, we have used these prices without modification for measuring fair value. If no market prices were available, the fair values for loans/receivables and liabilities were calculated by discounting using a maturity-matched discount rate appropriate to the risk.

40.A Classification of financial assets and financial liabilities:

The following table shows the carrying amounts and fair values of Financial assets and Financial liabilities which are classified as Amortised Cost, Fair value through Profit and Loss (FVTPL) and Fair value through other comprehensive income (FVTOCI).

40.A.1 As at March 31, 2021

	At Amortised cost	FVTPL	FVTOCI	Total carrying Value	Total Fair value
Financial Assets					
1 Cash and cash equivalents	12,894.34	-	-	12,894.34	12,894.34
2 Other Bank balances	125.05	-	-	125.05	125.05
3 Trade receivables	41.25	-	-	41.25	41.25
4 Loans	52,987.58	-	-	52,987.58	59,017.49
5 Other financial assets	79.23	-	-	79.23	79.23
Total	**66,127.45**	**-**	**-**	**66,127.45**	**72,157.36**
Financial Liabilities					
1 Debt securities (Listed)	11,933.40	-	-	11,933.40	12,835.73
2 Borrowings (other than debt securities)	16,608.82	-	-	16,608.82	16,865.58
3 Lease liabilities	267.61	-	-	267.61	267.61
4 Other financial liabilities	763.59	-	-	763.59	763.59
Total	**29,573.42**	**-**	**-**	**29,573.42**	**30,732.51**

40.A.2 As at March 31, 2020

	At Amortised cost	FVTPL	FVTOCI	Total carrying Value	Total Fair value
Financial Assets					
1 Cash and cash equivalents	12,286.13	-	-	12,286.13	12,286.13
2 Other Bank balances	117.97	-	-	117.97	117.97
3 Trade receivables	70.36	-	-	70.36	70.36
4 Loans	48,658.97	-	-	48,658.97	55,582.10
5 Other financial assets	74.26	-	-	74.26	74.26
Total	**61,207.69**	**-**	**-**	**61,207.69**	**68,130.82**
Financial Liabilities					
1 Trade payables	0.34	-	-	0.34	0.34
2 Debt securities (Unlisted)	2,482.75	-	-	2,482.75	2,532.56
3 Borrowings (other than debt securities)	22,452.26	-	-	22,452.26	22,455.32
4 Lease liabilities	330.27	-	-	330.27	330.27
5 Other financial liabilities	854.89	-	-	854.89	854.89
Total	**26,120.51**	**-**	**-**	**26,120.51**	**26,173.38**

40.A.3 As at April 01, 2019

	At Amortised cost	FVTPL	FVTOCI	Total carrying Value	Total Fair value
Financial Assets					
1 Cash and cash equivalents	1,036.52	-	-	1,036.52	1,036.52
2 Trade receivables	214.33	-	-	214.33	214.33
3 Loans	26,396.14	-	-	26,396.14	26,396.14
4 Other financial assets	51.13	-	-	51.13	51.13
Total	**27,698.12**	**-**	**-**	**27,698.12**	**27,698.12**

(Currency : Indian Rupees in lakhs)

Financial Liabilities					
1 Trade payables	7.40	-	-	7.40	7.40
2 Borrowings (other than debt securities)	14,011.70	-	-	14,011.70	14,011.70
3 Lease liabilities	291.58	-	-	291.58	291.58
4 Other financial liabilities	493.37	-	-	493.37	493.37
Total	**14,804.05**	**-**	**-**	**14,804.05**	**14,804.05**

40.B Fair value hierarchy of financial instruments

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

Level 1: Financial instruments measured using quoted prices and that are traded in active market are categorized under level 1. The Company has no financial instruments which are categorized as level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using observable market data and not the entity specific estimates. The listed Non Convertible debentures are classified as debt securities have been categorized as 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. The instruments are valued based on quoted prices for the similar instruments but for which significant observables adjustments are required to reflect the difference between the instruments. Loans and Unlisted Non Convertible debentures have been included in level 3 category.

40.B.1 Financial instruments valued at carrying value:
The respective carrying values of certain on-balance sheet financial instruments approximated their fair value. These financial instruments include cash in hand and bank balances, trade receivables, trade payables, overdraft facility payable on demand certain other assets and liabilities that are considered financial instruments. Carrying values were assumed to approximate fair values for these financial instruments as they are short-term in nature and their recorded amounts approximate fair values or are receivable or payable on demand.

40.B.2 Valuation techniques used to determine fair value:
The Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.
The Company has an established control framework with respect to the measurement of fair values. The Board / Audit Committee has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial assets by valuation technique:

i) Investments in Mutual Funds
The fair values of investments in mutual funds is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

ii) Loans
The fair values of the Company's Loan are calculated based on a discounted cash flow model. The discount factor used for fair valuation is derived using a combination of interpolated risk-free interest rates and credit-spreads of the Company as on valuation date. Input data used to carry out the fair valuation covers portfolio data and expected future cashflows for each product in the portfolio. All Loans are at floating rate as per the agreement with the customers.

iii) Borrowings and Debt Securities - (other than Market linked debt securities)
The fair values of the Company's borrowings (including debt securities) are calculated based on a discounted cash flow model. The discount factor used for fair valuation is derived using a combination of interpolated risk-free interest rates and credit-spreads of the Company as on valuation date. Input data used to carry out the fair valuation covers portfolio data and expected future cashflows for each product in the portfolio.

40.B.3 Transfers between Levels
There are no transfers between Level 1, 2 and 3 since there are no financial instruments at fair value under the category.

40. *Fair Value Measurement (Continued)*

40.B.4 Fair values of financial assets and financial liabilities not measured at fair value, including their levels in the fair value hierarchy, are presented below. It also includes the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Fair Value							
	As at March 31, 2021				As at March 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	12,894.34	12,894.34	-	-	12,286.13	12,286.13
Other Bank balances	-	-	125.05	125.05	-	-	117.97	117.97
Trade receivables	-	-	41.25	41.25	-	-	70.36	70.36
Loans	-	-	59,017.49	59,017.49	-	-	55,582.10	55,582.10
Other financial assets	-	-	79.23	79.23	-	-	74.26	74.26
Total	**-**	**-**	**72,157.36**	**72,157.36**	**-**	**-**	**68,130.82**	**68,130.82**
Financial Liabilities								
Trade payables	-	-	-	-	-	-	0.34	0.34
Debt securities (Unlisted)							2,532.56	2,532.56
Debt securities (Listed)			12,835.73	12,835.73			-	-
Borrowings (other than debt securities)			16,865.58	16,865.58			22,455.32	22,455.32
Lease liabilities	-	-	267.61	267.61	-	-	330.27	330.27
Other financial liabilities	-	-	763.59	763.59	-	-	854.89	854.89
Total	**-**	**-**	**30,732.51**	**30,732.51**	**-**	**-**	**26,173.38**	**26,173.38**

	As at April 01, 2019			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Cash and cash equivalents	-	-	1,036.52	1,036.52
Other Bank balances	-	-	-	-
Trade receivables	-	-	214.33	214.33
Loans	-	-	26,396.14	26,396.14
Other financial assets	-	-	51.13	51.13
Total	**-**	**-**	**27,698.12**	**27,698.12**
Financial Liabilities				
Trade payables	-	-	7.40	7.40
Borrowings (other than debt securities)	-	-	14,011.70	14,011.70
Lease liabilities	-	-	291.58	291.58
Other financial liabilities	-	-	493.37	493.37
Total	**-**	**-**	**14,804.05**	**14,804.05**

41. Financial Risk Management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company. The Company's objective is to minimize any adverse effects of these risks on its financial performance.

Risk management framework

Risk Management policy outlines the approach and mechanisms of risk management in the Company, including identification, reporting and measurement of risk in various activities undertaken by the Company. The general objective of risk management is to support business units by ensuring risks are timely identified and adequately considered in decision-making, and are viewed in conjunction with the earnings.

The audit committee oversees how the management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Risk Management committee of Board exercises supervisory power in connection with the risk management of the company, monitoring of the exposures, reviewing adequacy of risk management process, reviewing internal control systems, ensuring compliance with the statutory/regulatory framework of the risk management process.

41.A Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk comprises of direct risk of default and risk of deterioration of creditworthiness. It mainly arises from loan receivables from financing activities, cash and cash equivalents(excluding cash on hand) , bank deposits and other financial assets. The Company has no significant concentration of credit risk, as the credit exposure is spread over a large number of customers.

41.A.i Credit risk management

Credit risk for loan receivables is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Further, a major portion of exposure is secured by way of property and fixed deposits.
The impairment for financial assets are based on assumptions about risk of default and expected loss rates. These assumptions and estimates are assessed by the Company at every reporting date.
Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables.

41.A.ii Collateral and other credit enhancements

The Company employs a range of tools to reduce credit risk. The Company seeks collateral coverage, assignment of contract proceeds and other forms of protection to secure lending and minimize credit risks wherever possible. The Company's borrowing agreements also include legally enforceable netting arrangements for loans and deposits enabling the Company to consolidate the customer's various accounts with the Company and either transfer credit balances to cover any outstanding borrowings or freeze the credit balances until the customer settles their outstanding obligations to the Company.

Collateral held varies, but may include:
- Fixed Deposits
- Residential and commercial real estate property
- Land

The Company's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Company since the prior period.

(Currency : Indian Rupees in lakhs)

41. *Financial Risk Management (Continued)*

41.A.iii Other Financial Assets

Credit Risk on cash and cash equivalents and Bank deposits is generally low as the said deposits have been made with the banks having good reputation, good past records and high quality credit rating and also reviews their credit worthiness on an on-going basis. The risk of deterioration of credit worthiness of the lessor in the case of security deposits is assumed to be insignificant.

41.A.iv Financial Asset Received as Collaterals

Company has received financial assets as collaterals that it is permitted to adjust in the absence of default. The details of the financial assets received as collaterals are as follow:

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Fair value of financial assets accepted as collateral against the loans that the Company is permitted to adjust in the absence of default	949.53	1,163.17	538.39
above comprising of :			
- Advance from customers	626.81	617.19	344.98
- as Fixed deposit held as collateral	322.72	545.98	193.41

41.A.v (v) Offsetting financial assets and labilities

The following table presents the recognised financial instruments that are offset and other similar agreements but are not offset.

The column 'maximum exposure' shows the impact on the Company's balance sheet if all set-off rights are exercised.

Particulars	Effect of offsetting on the balance sheet				
	Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Netting potential not recognised on the balance sheet - Financial collateral *	Maximum exposure
As at March 31, 2021					
Financial Assets					
Loans	53,403.82	-	53,403.82	949.53	52,454.29
Bank balances other than cash and cash equivalents	125.15	-	125.15	117.34	7.81
Financial liabilities					
Borrowings	16,608.82	-	16,608.82	117.34	16,491.48
Other Financial Liabilities	763.59	-	763.59	626.81	136.78
As at March 31, 2020					
Financial Assets					
Loans	48,997.17	-	48,997.17	1,163.17	47,834.00
Bank balances other than cash and cash equivalents	118.00	-	118.00	117.34	0.66
Financial liabilities					
Borrowings	22,452.26	-	22,452.26	117.34	22,334.92
Other Financial Liabilities	854.89		854.89	617.19	237.70
As at April 01, 2019					
Financial Assets					
Loans	26,502.87	-	26,502.87	538.39	25,964.48
Financial liabilities					
Other Financial Liabilities	493.37	-	493.37	344.98	148.39

* - Company obtains financial collateral from its borrowers towards loans advanced and has provided financial assets as collaterals for its borrowings.

(Currency : Indian Rupees in lakhs)

41. *Financial Risk Management (Continued)*

41.A.vi Impairment of financial assets

Credit risk is the risk of loss resulting from the decline in credit quality or the failure of a borrower, counterparty, third party or issuer to honour its financial or contractual obligations. Credit risk mainly arises from Auxilo's lending activity which can be classified mainly into the following lines of business:

- Loans to students (B2C)
- Loans to educational institutions (B2B)

Credit risk also arises from concentration of risks. Concentration of risk, within credit risk, is the risk associated with having a credit exposure concentrated within a specific client, industry, region or other category.

a) Credit quality analysis and credit exposure

The Company's credit risk team assesses the credit worthiness of each borrower in the B2C segment based on their CIBIL scores. In the B2B segment, credit worthiness is based on the number of days past due.

Probability of default

B2C			B2B		
Cibil Score Range	**Risk category**	**PD**	**Weighted Buckets (Based on DPD)**	**Risk category**	**PD**
Above 700	Low	0.03%-0.04%	0-2	Low	0.14%-0.46%
650-700	Medium	0.07%	2-4	Medium	0.99%
Below 650*	High	0.66%-100%	Greater than 4*	High	4.85%-100%

*Includes loan with increased credit risk

The following tables set out information about the credit quality of loans to the B2C and B2B segments. The amounts in table below represent the maximum credit exposure of the financial assets.

B2C

Cibil Score Range	March 31, 2021		
	Stage 1	**Stage 2**	**Stage 3**
Above 700	28,568.96	-	-
650-700	6,217.15	-	-
Below 650*	1,021.12	563.49	24.74
Gross exposure	35,807.23	563.49	24.74

B2B

Weighted Buckets (Based on DPD)	March 31, 2021		
	Stage 1	**Stage 2**	**Stage 3**
0-2	14,710.75	-	-
2-4	951.46	-	-
Greater than 4*	669.15	-	677.00
Gross exposure	16,331.36	-	677.00

*Includes loan with increased credit risk

b) Credit quality of Loans

The following tables set out information about the credit quality of loans to the B2C and B2B segments. The amounts in table below represent the maximum credit exposure of the financial assets.

Auxilo Finserve Private Limited

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Credit quality of Loans

Particulars		As at March 31, 2021				As at March 31, 2020			
		Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
B2C - Cibil Score Range									
Above 700		32,776.11	-	-	32,776.11	28,464.17	-	-	28,464.17
650-700		6,361.91	-	-	6,361.91	3,783.81	-	-	3,783.81
Below 650*		1,245.14	564.00	24.74	1,833.88	7,715.77	-	-	7,715.77
Gross exposure	(A)	**40,383.16**	**564.00**	**24.74**	**40,971.90**	**39,963.75**	-	-	**39,963.75**
Less: ECL	(B)	13.78	52.56	14.50	80.84	150.18	-	-	150.18
Net exposure	(C) = (A - B)	**40,369.38**	**511.44**	**10.24**	**40,891.06**	**39,813.57**	-	-	**39,813.57**
B2B - Weighted Buckets (Based on DPD)									
0-2		15,054.12	-	-	15,054.12	12,770.40	-	-	12,770.40
2-4		964.09	-	-	964.09	983.48	-	-	983.48
Greater than 4		669.15	-	677.00	1,346.15	1,939.02	-	-	1,939.02
Gross exposure	(D)	**16,687.36**	-	**677.00**	**17,364.36**	**15,692.90**	-	-	**15,692.90**
Less: ECL	(E)	68.48	-	266.92	335.40	188.03	-	-	188.03
Net exposure	(F) = (D - E)	**16,618.88**	-	**410.08**	**17,028.96**	**15,504.87**	-	-	**15,504.87**
Total Gross exposure	(G) = (A + D)	57,070.52	564.00	701.74	58,336.26	55,656.65	-	-	55,656.65
Less: ECL	(H) = (B + E)	82.26	52.56	281.42	416.24	338.21	-	-	338.21
Net exposure	(I) = (G - H)	**56,988.26**	**511.44**	**420.32**	**57,920.02**	**55,318.44**	-	-	**55,318.44**
Loans (Refer Schedule 6)		52,138.59	563.49	701.74	53,403.82	48,997.17	-	-	48,997.17
Committed lines of credit (Refer Schedule 32)		4,931.93	0.51	-	4,932.44	6,659.48	-	-	6,659.48
Total Gross Exposure		**57,070.52**	**564.00**	**701.74**	**58,336.26**	**55,656.65**	-	-	**55,656.65**
Gross carrying amount									
Loans and advances carried at amortised cost									
Loans to students (B2C)		35,807.23	563.49	24.74	36,395.46	33,792.56	-	-	33,792.56
Loans to educational institutions (B2B)		16,331.36	-	677.00	17,008.36	15,204.61	-	-	15,204.61
Total		**52,138.59**	**563.49**	**701.74**	**53,403.82**	**48,997.17**	-	-	**48,997.17**
Expected credit loss									
Loans and advances carried at amortised cost									
Loans to students (B2C)		13.78	52.56	14.50	80.84	150.17	-	-	150.17
Loans to educational institutions (B2B)		68.48	-	266.92	335.40	188.03	-	-	188.03
Total		**82.26**	**52.56**	**281.42**	**416.24**	**338.20**	-	-	**338.20**
Net carrying amount									
Loans and advances carried at amortised cost									
Loans to students (B2C)		35,793.45	510.93	10.24	36,314.62	33,642.39	-	-	33,642.39
Loans to educational institutions (B2B)		16,262.88	-	410.08	16,672.96	15,016.58	-	-	15,016.58
Total		**52,056.33**	**510.93**	**420.32**	**52,987.58**	**48,658.97**	-	-	**48,658.97**

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(Currency : Indian Rupees in lakhs)

c) Reconciliation of changes in gross carrying amount and corresponding ECL allowances for loans and advances to corporate and retail customers:

The following disclosure provides stage wise reconciliation of the Company's gross carrying amount and ECL allowances for loans and advances to corporates and retail customers. The transfers of financial assets represents the impact of stage transfers upon the gross carrying amount and associated allowance for ECL. The net remeasurement of ECL arising from stage transfers represents the increase or decrease due to these transfers.

The 'New assets originated /repayments received (net)' represent the gross carrying amount and associated allowance ECL impact from transactions within the Company's lending portfolio.

d) An analysis of changes in the gross carrying amount as follows:

Particulars	As at March 31, 2021					As at March 31, 2020				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount opening balance	**48,997.17**	-	-	-	**48,997.17**	**26,502.87**	-	-	-	**26,502.87**
New Assets Originated or Purchased	10,169.14	-	-	-	**10,169.14**	26,697.78	-	-	-	**26,697.78**
Assets derecognised or repaid (excluding write offs)	(5,762.49)	-	-	-	**(5,762.49)**	(4,203.48)	-	-	-	**(4,203.48)**
Transfer to Stage 1	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 2	(1,265.24)	1,265.24	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	(701.74)	701.74	-	-	-	-	-	-	-
Changes to Contractual Cash Flows due to modification not resulting into derecognition	-	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	**52,138.58**	**563.50**	**701.74**	-	**53,403.82**	**48,997.17**	-	-	-	**48,997.17**

e) Reconciliation of ECL balance is given below

Particulars	As at March 31, 2021					As at March 31, 2020				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL Allowance - Opening Balance	338.21	-	-	-	**338.21**	**106.73**	-	-	-	**106.73**
New Assets Originated or Purchased	17.45	-	-	-	**17.45**	198.61	-	-	-	**198.61**
Assets derecognised or repaid (excluding write offs)	(14.23)	-	-	-	**(14.23)**	(5.97)	-	-	-	**(5.97)**
Transfer to Stage 1	-	-	-	-	-	-	-	-	-	-
Transfer to Stage 2	(8.46)	8.46	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	(6.18)	6.18	-	-	-	-	-	-	-
Impact on year end ECL of Exposures transferred between Stages during the year and reversal of ECL on account of recovery	(250.71)	50.28	275.24	-	**74.81**	38.84	-	-	-	**38.84**
					-					-
ECL Allowance - Closing Balance	**82.26**	**52.56**	**281.42**	-	**416.24**	**338.21**	-	-	-	**338.21**

(Currency : Indian Rupees in lakhs)

f) Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Cash and cash equivalents	12,894.34	12,286.13	1,036.52

The Company maintains its Cash and cash equivalents and Bank deposits with banks having low credit risk as per the bank's external credit ratings and also reviews their credit-worthiness on an on-going basis. The Company has provided for expected credit losses on its exposure on balances with banks and fixed deposits.

g) Collateral held

The Company generally accepts bank deposits and real estate as collaterals in the case of secured loans. The Company's exposure between secured and unsecured is as follows:

Particulars	Principal type of collateral held	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Loans to students (B2C)	Property and Fixed deposits	39.51%	37.86%	40.19%
Loans to educational institutions (B2B)	Property	100.00%	100.00%	100.00%

h) Inputs, assumptions, techniques used for estimating impairment

The Company has applied a three-stage approach to measure expected credit losses (ECL) on debt instruments accounted for at amortised cost and FVOCI. Assets migrate through following three stages based on the changes in credit quality since initial recognition:

Stage 1: 12- months ECL: For exposures where there is no 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 recognized.

Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

Determining Significant Increase in Credit Risk (SICR)

To determine if the risk of default of a financial instrument has increased significantly since initial recognition, the current risk of default at the reporting date compared with the risk of default at initial recognition. Assessment of whether there has been a significant increase in credit risk required at each reporting date.
All restructured facilities (where restructuring is done on account of decrease in credit worthiness) shall be classified as stage 2 for a minimum period of 12 months from the date of restructuring.

Stage 1
As soon as a financial instrument originates or purchased, it is categorized as Stage 1. This is applicable across all the loan facilities and bank balances.

Stage 2
Loans: The following staging criteria based on Days Past Due (DPDs) is used for the portfolio of loans as per Ind AS 109:
Stage 1 to Stage 2: 30 Days Past Due or more as criteria for Stage 2 classification.

Stage 3
Stage 2 to Stage 3: Facilities in which any installment or partial installment is outstanding for a period of more than 90 days.

Balances with banks:
Following is the staging criteria for investments:
(i) For facilities with rating grade AAA to B, three notch downgrades (without modifiers) shall be taken as stage 2
(ii) Any financial instrument with rating grade CCC or below classified as Stage 2 at origination.

Assessment of reduction in Credit Risk -
An asset can move into and out of the lifetime expected credit losses category (Stage 2 and 3) based on a predefined pattern obtained from the historical default rates or delinquency status of account across various internal rating grades, products or sectors.

Transitioning from Stage 2 to Stage 1:
Credit exposures transition back from stage 2 to stage 1 when the credit quality of the credit facility shows significant improvement. Primarily, when factors that previously triggered an exposure moving to Stage 2 no longer meet, such exposures move back to Stage 1 and a 12-month ECL measured instead of Lifetime ECL.

Transitioning from Stage 3 to Stage 2/Stage 1:
Credit exposures may transition from stage 3 to stage 2 / stage 1, no longer meet the definition of default / credit impaired and remain as current 3 months and if the factors that previously triggered an exposure to move to stage 3 are no longer met.

The key inputs into the measurement of ECL are the term structure of the following variables:
- Probability of defaults (PDs)
- Loss given default (LGD)
- Exposure at default (EAD) i.e. the total expected exposure in the event of a default.

Probability of default
The Probability of Default (PD) defines the probability that the borrower will default on its obligations in the future. Ind AS 109 requires the use of separate PDs for:
1. Stage 1, i.e., 12-month duration
2. Stage 2, i.e., Lifetime but not credit impaired
3. Stage 3, i.e., Lifetime and credit impaired

LGD (loss given default)
LGD is calculated as per the Basel II guidelines by first classifying collateral as per eligible criteria and then applying appropriate LGD % to each collateral type. Collaterals are verified against the threshold criteria, post clearance of the threshold criteria collateral, capping is calculated against the given loan portfolio.
The classification of each collateral is done into 5 basic categories:

Financial collateral: A zero loss is considered for this category of collaterals. The category generally includes cash (as well as certificates of deposit or comparable instruments, including fixed deposit receipts, issued by the lending bank), deposit with the bank which is incurring the counterparty exposure.

Financial Receivables: Eligible financial receivables are claims with an original maturity of less than or equal to one year where repayment will occur through the commercial or financial flows related to the underlying assets of the borrower. This includes both self-liquidating debts arising from the sale of goods or services linked to a commercial transaction and general amounts owed by buyers, suppliers, renters, national and local governmental authorities, or other non-affiliated parties not related to the sale of goods or services linked to a commercial transaction. Eligible receivables do not include those associated with securitizations, sub-participations or any derivatives.

Commercial or Residential Real Estate (CRE/RRE): Eligible CRE/RRE collaterals for exposures to corporate, sovereign and banks are the ones where the risk of the borrower is not materially dependent upon the performance of the underlying property or project, but rather on the underlying capacity of the borrower to repay the debt from other sources. As such, repayment of the facility is not materially dependent on any cash flow generated by the underlying CRE/RRE serving as collateral. An LGD percentage of 35% is considered for CRE are 50% and for RRE type of collaterals. The collaterals are further stressed by capping off to the extent of 140%.

Other Eligible Collateral: This category includes industrial properties, land etc. An LGD percentage of 40% considered for this type of collaterals. The collaterals are further stressed by capping off to the extent of 140%.

Unsecured: In case of loan portfolios with no collateral or collaterals not falling in the above broad categories considered unsecured and LGD percentage of 65% is applied.

The Company measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Company considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the Company's internally developed statistical models and other historical data. In addition, the Company uses reasonable and supportable information on future economic conditions including macroeconomic factors such as gross domestic product and unemployment rate. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly. The following table presents the key macroeconomic indicators used for the purposes of measurement of ECL in the periods presented.

i) Macro economic indicator	**As at March 31, 2021**	**As at March 31, 2020**	**As at April 01, 2019**
GDP growth	12.50%	2.80%	7.00%

j) ECL Sensitivity to change in PD rates due to change in GDP	**As at March 31, 2021**	**As at March 31, 2020**	**As at April 01, 2019**
increase by 10%	(19.59)	(36.69)	-
decrease by 10%	25.25	40.25	-

"k) Covid -19 Provision
In accordance with the COVID-19 Regulatory Packages announced by the RBI on March 27, 2020, April 17, 2020 and May 23, 2020, the Company, in accordance with its board approved policy, offered a moratorium on the repayment of the instalments and / or interest, as applicable, due between March 1, 2020 and August 31, 2020 to all eligible borrowers classified as standard, even if overdue, as on February 29, 2020. In respect of such accounts that were granted moratorium, the asset classification remain stand still during the moratorium period. The Company made the provisions of Rs. 19.65 lakhs (Previous Year Rs. 19.65 lakhs) on such accounts where the moratorium was granted. The Company has utilised the provisions against the slippages to Stage III during the year. (Refer note 49.21 in RBI Disclosure)

l) Expected Credit Loss prior to April 01, 2019
As at the April 1,2019 , the Company had expected a risk of default of 0.40%, as defined in the "Non-Banking Financial Company Non - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016" to be the best estimate of the expected credit losses on its loan receivables from financing activities.

Since the Company did not have sufficient historical data as of April 1, 2019, the management was unable to apply a robust ECL model and had recognised provisions to the extent prescribed by the income recognition and asset classification norms laid down by the RBI.

Auxilo Finserve Private Limited

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(Currency : Indian Rupees in lakhs)

41.B Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate cash and bank balances. In addition to own funds, borrowings from banks and corporates are considered as important sources of funds to finance lending to customers. The Company continuously monitors forecast and actual cash flows by matching the maturity profiles of financial assets and liabilities.

The below table analyses the Company's financial liabilities and financial assets into relevant maturity groupings based on the remaining period as at the reporting date to the contractual maturity date.

As at March 31, 2021

Particulars	Total	Contractual cash flows							
		Up to 1 month	Over 1 month to 2 months	Over 2 months to 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	3 - 5 years	More than 5 years
Financial liabilities									
Debt securities	11,933.40	5.27	-	798.56	184.59	1,138.70	9,485.45	320.83	-
Borrowings (other than debt securities)	16,608.82	511.49	277.43	340.28	1,118.99	2,449.66	9,532.62	2,034.64	343.71
Lease Liabilities	267.61	13.11	13.30	13.42	40.96	86.02	100.80	-	-
Other financial liabilities	763.59	-	135.08	-	-	1.70	-	-	626.81
Total	**29,573.42**	**529.87**	**425.81**	**1,152.26**	**1,344.54**	**3,676.08**	**19,118.87**	**2,355.47**	**970.52**

Particulars	Total	Contractual cash flows							
		Up to 1 month	Over 1 month to 2 months	Over 2 months to 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	3 - 5 years	More than 5 years
Financial assets									
Cash and cash equivalents	12,894.34	5,886.01	1,502.42	5,505.91	-	-	-	-	-
Bank balance other than cash and cash equivalents above	125.05	-	-	-	-	-	-	125.05	-
Trade receivables	41.25	-	-	41.25	-	-	-	-	-
Loans	52,987.58	648.77	647.51	650.34	1,998.10	4,245.88	18,243.92	14,983.13	11,569.93
Other Financial Assets	79.23	-	1.01	-	-	-	76.59	-	1.63
Total	**66,127.45**	**6,534.78**	**2,150.94**	**6,197.50**	**1,998.10**	**4,245.88**	**18,320.51**	**15,108.18**	**11,571.56**

(Currency : Indian Rupees in lakhs)

(B) ***Liquidity risk (continued)***

As at March 31, 2020

Particulars	Total	Contractual cash flows							
		Up to 1 month	Over 1 month to 2 months	Over 2 months to 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	3 - 5 years	More than 5 years
Financial liabilities									
Trade payables	0.34	-	0.34	-	-	-	-	-	-
Debt securities	2,482.75	-	-	-	357.14	357.14	1,428.57	339.90	-
Borrowings (other than debt securities)	22,452.26	1,101.52	283.86	346.01	1,589.62	3,190.06	10,629.60	5,311.59	-
Lease Liabilities	330.27	11.08	11.21	11.31	35.40	72.05	189.22	-	-
Other financial liabilities	854.89	-	232.12	-	-	5.58	-	-	617.19
Total	**26,120.51**	**1,112.60**	**527.53**	**357.32**	**1,982.16**	**3,624.83**	**12,247.39**	**5,651.49**	**617.19**
Financial assets									
Cash and cash equivalents	12,286.13	11,285.74	-	1,000.39	-	-	-	-	-
Bank balance other than cash and cash equivalents above	117.97	-	-	-	-	-	-	-	117.97
Trade receivables	70.36	-	-	70.36	-	-	-	-	-
Loans	48,658.97	68.43	70.64	164.96	1,734.21	3,478.65	15,438.13	14,666.57	13,037.38
Other financial assets	74.26	-	1.05	-	-	-	72.71	-	0.50
Total	**61,207.69**	**11,354.17**	**71.69**	**1,235.71**	**1,734.21**	**3,478.65**	**15,510.84**	**14,666.57**	**13,155.85**

(Currency : Indian Rupees in lakhs)

(B) *Liquidity risk (continued)*
As at April 01, 2019

Particulars	Total	Contractual cash flows							
		Up to 1 month	Over 1 month to 2 months	Over 2 months to 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	3 - 5 years	More than 5 years
Financial liabilities									
Trade payables	7.40	-	7.40	-	-	-	-	-	-
Borrowings (other than debt securities)	14,011.70	454.55	-	1,800.00	7,654.55	90.91	4,011.69	-	-
Lease liabilities	291.58	7.41	7.48	7.54	23.03	48.20	178.20	19.72	-
Other financial liabilities	493.37	-	146.30	-	-	2.09	-	-	344.98
Total	**14,804.05**	**461.96**	**161.18**	**1,807.54**	**7,677.58**	**141.20**	**4,189.89**	**19.72**	**344.98**
Financial assets									
Cash and cash equivalents	1,036.52	1,036.52	-	-	-	-	-	-	-
Trade receivables	214.33	-	-	214.33	-	-	-	-	-
Loans	26,396.14	76.78	71.19	71.19	220.48	478.16	3,198.68	5,589.06	16,690.60
Other financial assets	51.13	-	1.20	-	-	-	49.93	-	-
Total	**27,698.12**	**1,113.30**	**72.39**	**285.52**	**220.48**	**478.16**	**3,248.61**	**5,589.06**	**16,690.60**

* For financial liabilities undiscounted cash flows have been provided

41.C Market risk

Market risk is the risk that changes in market prices and is exposed to risks such as
a) Currency risk
b) Prepayment risk
c) Interest rate risk
which will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The Company's' operating currency is Indian Rupees (INR) only and not exposed to foreign currency risk.

b) Prepayment Risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier than expected particularly in case of fixed rate loans when interest rates fall. Most of the financial assets are at floating rates of interest, however there are financial liabilities which are having fixed interest rates. The Company is exposed to prepayment risk in term of fixed interest rate liability. Please refer to interest rate risk section for prepayment risk on account of fixed rate liabilities.

(Currency : Indian Rupees in lakhs)

c) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the fair value or cash flows of the financial assets and financial liabilities. Normally, the Company's business is exposed to interest rate risk as a result of mismatches or gaps in the amounts of assets and liabilities and off-balance-sheet instruments that mature or reprice in a given period. In order to manage/mitigate interest rate risk, the Company has defined Interest Rate Sensitive Gap tolerance limits for each time bucket which is approved by the Board. Further, the Company undertakes Net Interest Income (NII) analysis to assess the impact of changes in interest rate on the earnings of the Company. The Interest Rate Sensitivity (IRS) gaps are monitored by ALCO on monthly basis.

The table below details the exposure of the Company to interest rate risk

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Fixed rate instruments			
Financial Assets	13,140.43	12,549.27	1,301.98
Financial Liabilities	(4,763.27)	(5,730.40)	(9,815.98)
Floating rate instruments			
Financial Assets	53,403.82	48,997.17	26,502.87
Financial Liabilities	(24,810.15)	(20,390.11)	(4,988.07)

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash Flow Sensitivity (Variable rate instruments (net))		
Decrease by 100 bps:	(285.94)	(286.07)
Increase by 100 bps:	285.94	286.07

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(Currency : Indian Rupees in lakhs)

42. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2021			As at March 31, 2020			As at April 01, 2019		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
I Assets									
A. Financial assets									
a) Cash and cash equivalents	12,894.34	-	12,894.34	12,286.13	-	12,286.13	1,036.52	-	1,036.52
b) Other Bank balances	-	125.05	125.05	-	117.97	117.97	-	-	-
c) Trade receivables	41.25	-	41.25	70.36	-	70.36	214.33	-	214.33
d) Loans	8,190.60	44,796.98	52,987.58	5,516.89	43,142.08	48,658.97	917.80	25,478.34	26,396.14
e) Other financial assets	1.01	78.22	79.23	1.05	73.21	74.26	1.20	49.93	51.13
B. Non-financial assets									
a) Current tax assets (net)	-	97.55	97.55	-	58.68	58.68	-	13.44	13.44
b) Deferred tax assets (Net)	-	128.05	128.05	-	189.65	189.65	-	367.56	367.56
c) Property, plant and equipment	-	123.59	123.59	-	164.14	164.14	-	181.12	181.12
d) Right of use asset	156.21	87.90	244.11	146.08	166.30	312.38	109.41	182.17	291.58
e) Intangible assets under development	-	-	-	-	-	-	76.01	-	76.01
f) Other intangible assets	-	93.43	93.43	-	112.32	112.32	-	21.58	21.58
g) Other non-financial assets	131.52	7.21	138.73	86.59	10.13	96.72	46.72	23.05	69.77
Total Assets	**21,414.93**	**45,537.98**	**66,952.91**	**18,107.10**	**44,034.48**	**62,141.58**	**2,401.99**	**26,317.19**	**28,719.18**
II Liabilities									
A. Financial liabilities									
a) Trade payables	-	-	-	0.34	-	0.34	7.40	-	7.40
b) Debt securities	2,127.12	9,806.28	11,933.40	714.28	1,768.47	2,482.75	-	-	-
c) Borrowings (other than debt securities)	4,697.85	11,910.97	16,608.82	6,511.07	15,941.19	22,452.26	10,000.01	4,011.69	14,011.70
d) Lease liabilities	166.81	100.80	267.61	141.05	189.22	330.27	93.66	197.92	291.58
e) Other financial liabilities	136.78	626.81	763.59	237.70	617.19	854.89	148.39	344.98	493.37
B. Non-financial Liabilities									
a) Provisions	5.74	72.17	77.91	-	44.41	44.41	-	27.14	27.14
b) Other non-financial liabilities	34.53	14.07	48.60	58.81	32.14	90.95	45.56	28.59	74.15
Total Liabilities	**7,168.83**	**22,531.10**	**29,699.93**	**7,663.25**	**18,592.62**	**26,255.87**	**10,295.02**	**4,610.32**	**14,905.34**

(Currency : Indian Rupees in lakhs)

43. Capital Management

The primary objectives of the capital management policy is to ensure that the Company continuously complies with capital requirements required by regulator, maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to fund growth or comply with regulatory capital requirement, Company depends on internal accrual or may raise additional capital. Company may adjust the amount of dividend payment to shareholders, return capital to shareholders.

No changes have been made to the objectives, policies and processes from the previous years, however the same is constantly reviewed by the Board.

For Capital-to-Risk Weighted Assets (CRAR) as required by Regulator- Refer Note 49.1

44. Net debt reconciliation

a) This section sets out the change in the liabilities or movement in net debt during the year arising from financing activities i.e. receipt / repayment of debts, other borrowing and related finance cost.

	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents	12,894.66	12,286.56
Bank balances other than cash and cash equivalents (including interest receivable)	125.15	118.00
Debt securities (including interest accrued)	11,933.40	2,482.75
Borrowings other than debt securities (including interest accrued)	16,608.82	22,452.26
Net Debt	15,522.41	12,530.45

b) **Movement in Net Debt during the year**

	Financial Assets		Liabilities from financing activities		Total
	Cash and cash equivalents	Bank balances other than cash and cash equivalents	Debt securities	Borrowings other than debt securities	
Net debt as at March 31, 2020	**12,286.56**	**118.00**	**2,482.75**	**22,452.26**	**12,530.45**
Cashflows inflows	2,771.52	7.15	11,628.06	1,969.94	**10,819.33**
Cashflows outflows	2,163.42	-	2,916.67	7,947.75	**8,701.00**
Interest expense	-	-	1,028.74	2,150.64	**3,179.38**
Interest paid during the year	-	-	289.48	2,016.27	**2,305.75**
Net debt as at March 31, 2021	**12,894.66**	**125.15**	**11,933.40**	**16,608.82**	**15,522.41**
Net debt as at March 31, 2019	1,036.52	-	-	14,011.70	12,975.18
Cashflows inflows	32,059.66	118.00	2,480.86	28,156.97	(1,539.83)
Cashflows outflows	20,809.62			19,797.35	(1,012.27)
Interest expense			38.78	1,674.63	1,713.41
Interest paid during the year			36.89	1,593.69	1,630.58
Net debt as at March 31, 2020	**12,286.56**	**118.00**	**2,482.75**	**22,452.26**	**12,530.45**

(Currency : Indian Rupees in lakhs)

45. Transfer of Financial Assets

Transferred financial assets that are not derecognised in their entirety - Securitisation

The Company has transferred a pool of loan receivables backed by underlying assets by entering into securitisation transactions with the Special Purpose Vehicle Trusts (SPV Trust) for consideration received in cash at the inception of the transaction.

The Company, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Pay out Account maintained by the SPV Trust for making scheduled pay outs to the investors in Pass Through Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the Company to provide for first loss credit enhancement in various forms, such as cash collateral, over collateral of Pool principal and excess interest spread (EIS) as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Company is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the Company has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the derecognition criteria as set out in Ind-AS 109. Consideration received in this transaction is presented as 'Borrowing under Securitisation' under Note 15.

The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Assignment			
Carrying amount of transferred assets measured at amortised cost	1,677.16	1,927.06	-
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)*	1,538.62	2,062.15	-
Fair value of assets	1,677.16	1,927.06	-
Fair value of associated liabilities	1,589.97	2,091.85	-
Net position at Fair Value	87.19	(164.79)	-

* inclusive of EIR impact

46. Foreign exchange earnings/outflow

The foreign exchange earnings and outflow Current year is Rs. Nil. (Previous year: Rs. Nil)

47. First-time adoption of Ind AS

a) Transition to Ind AS

For the purposes of reporting as set out in Note 1, the Company has transitioned its basis of accounting from Indian generally accepted accounting principles ("IGAAP") to Ind AS. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2021, the comparative information presented in these financial statements for the year ended March 31, 2020 and in the preparation of an opening Ind AS balance sheet at April 1, 2019 (the "transition date")

In preparing the opening Ind AS balance sheet, the Company has adjusted amounts reported in financial statements prepared in accordance with IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected the financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, the Company did not revise estimates previously made under IGAAP except where required by Ind AS.

b) Optional exemptions availed

Ind AS 101 'First Time Adoption of Indian Accounting Standards' allows first-time adopters certain voluntary exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

i) **Deemed cost for property, plant and**

The Company has elected to continue the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost at the date of transition.

ii) **Share-based payments**

The Company has elected not to apply Ind AS 102 Share-based payment to equity instruments that vested before the date of transition to Ind AS. Accordingly, the Company has measured only the unvested stock options on the date of transition as per Ind AS 102.

c) Ind AS mandatory exceptions

The Company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

i) **Estimates**

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL and/or FVOCI
- Impairment of financial assets based on the expected credit loss model

ii) **De-recognition of financial assets and liabilities**

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the derecognition principles of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) **Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

47. First-time adoption of Ind AS

d) Reconciliations between previous GAAP and Ind AS

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

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

(Currency : Indian Rupees in lakhs)

i) Reconciliation of Balance Sheet as per previous GAAP and Ind AS

Particulars	As at March 31, 2020			As at April 01, 2019		
	Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
ASSETS						
Financial Assets						
Cash and cash equivalents	12,286.56	(0.43)	12,286.13	1,036.52	-	1,036.52
Bank balance other than cash and cash equivalents	118.00	(0.03)	117.97	-	-	-
Derivative financial instruments	-	-	-	-	-	-
Trade receivables	70.40	(0.04)	70.36	214.33	-	214.33
Loans	47,161.34	1,497.63	48,658.97	26,576.26	(180.12)	26,396.14
Other financial assets	157.65	(83.39)	74.26	63.82	(12.69)	51.13
	59,793.95	**1,413.74**	**61,207.69**	**27,890.93**	**(192.81)**	**27,698.12**
Non-financial assets						
Current tax assets (net)	58.68	-	58.68	13.44	-	13.44
Deferred tax assets (net)	64.05	125.60	189.65	-	367.56	367.56
Property, Plant and Equipment	164.13	0.01	164.14	181.12	-	181.12
Right of use - Asset	-	312.38	312.38	-	291.58	291.58
Intangible assets under development	-	-	-	76.01	-	76.01
Other intangible assets	112.33	(0.01)	112.32	21.59	(0.01)	21.58
Other non-financial assets	458.30	(361.58)	96.72	96.04	(26.27)	69.77
	857.49	**76.40**	**933.89**	**388.20**	**632.86**	**1,021.06**
Total Assets	**60,651.44**	**1,490.14**	**62,141.58**	**28,279.13**	**440.05**	**28,719.18**
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Derivative financial instruments	-	-	-	-	-	-
Trade payables	0.34	-	0.34	7.40	-	7.40
Debt securities	2,500.69	(17.94)	2,482.75	-	-	-
Borrowings (other than Debt securities)	20,927.72	1,524.54	22,452.26	14,045.06	(33.36)	14,011.70
Lease Liabilities	-	330.27	330.27	-	291.58	291.58
Other financial liabilities	854.92	(0.03)	854.89	493.37	-	493.37
	24,283.67	**1,836.84**	**26,120.51**	**14,545.83**	**258.22**	**14,804.05**
Non-financial Liabilities						
Provisions	44.41	-	44.41	27.14	-	27.14
Other non-financial liabilities	77.28	13.67	90.95	63.04	11.11	74.15
	121.69	**13.67**	**135.36**	**90.18**	**11.11**	**101.29**
EQUITY						
Equity share capital	34,406.22	-	34,406.22	15,000.00	-	15,000.00
Other equity	1,839.86	(360.37)	1,479.49	(1,356.88)	170.72	(1,186.16)
Total equity	**36,246.08**	**(360.37)**	**35,885.71**	**13,643.12**	**170.72**	**13,813.84**
Total Liabilities & Equity	**60,651.44**	**1,490.14**	**62,141.58**	**28,279.13**	**440.05**	**28,719.18**

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

(Currency : Indian Rupees in lakhs)

47. First-time adoption of Ind AS

ii) Reconciliation of Statement of Total comprehensive income for the year ended March 31, 2020 as per previous GAAP and Ind AS

Particulars	Previous GAAP	Adjustments	Ind AS
Revenue from operations			
Interest income	5,593.90	(312.87)	5,281.03
Fees and commission income	85.76	-	85.76
Net gain on fair value changes	100.28	-	100.28
Other operating revenue	-	-	-
Total revenue from operations	**5,779.94**	**(312.87)**	**5,467.07**
Other income	105.00	5.81	110.81
Total income	**5,884.94**	**(307.06)**	**5,577.88**
Expenses			
Finance costs	1,725.39	52.26	1,777.65
Impairment on financial instruments	108.37	123.66	232.03
Employee benefits expenses	1,601.56	154.02	1,755.58
Depreciation, amortisation and impairment expenses	90.52	122.74	213.26
Others expenses	1,368.83	(316.58)	1,052.25
Total expenses	**4,894.67**	**136.10**	**5,030.77**
Profit/(loss) before tax	**990.27**	**(443.16)**	**547.11**
Tax expense:			
- Current tax	60.68	-	60.68
- Deferred tax	(64.05)	242.20	178.15
Total tax expense	**(3.37)**	**242.20**	**238.83**
Profit/(loss) for the period	**993.64**	**(685.36)**	**308.28**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
- Remeasurements of post-employment benefit obligations	-	(0.96)	(0.96)
- Income tax relating to these items	-	0.24	0.24
Other comprehensive income for the period	**-**	**(0.72)**	**(0.72)**
Total comprehensive income for the period	**993.64**	**(686.08)**	**307.56**

iii) Reconciliation of Equity between previous GAAP and Ind AS:

	Notes	As at March 31, 2020	As at April 01, 2019
Equity as per previous GAAP		**36,246.08**	**13,643.12**
Adjustments:			
ESOP cost under Ind AS		(372.24)	(217.26)
EIR impact on financial assets	v(b)	(355.47)	(208.71)
Impact of Ind AS 116	v(c)	(17.88)	-
EIR Impact on financial liabilities	v(d)	(2.81)	(5.05)
Provision for Impairment loss allowance on loan assets	v(e)	(123.66)	-
Securitisation transaction impact		(4.27)	-
Fair Value of Security Deposit	v(a)	(0.35)	(0.55)
Lease reserves	v(g)	1.01	17.47
Tax impact of Ind AS adjustments	v(f)	143.06	367.56
Total adjustments		**(732.61)**	**(46.54)**
ESOP Reserve		372.24	217.26
Total equity as per Ind AS		**35,885.71**	**13,813.84**

iv) Reconciliation of Total comprehensive income as per Previous GAAP and Ind AS :

	Year Ended March 31,2020
Net profit after tax as per previous GAAP	**993.64**
Adjustments:	
ESOP cost under Ind AS	(154.98)
EIR impact on financial assets	(146.76)
Impact of Ind AS 116	(17.88)
EIR Impact on financial liabilities	2.24
Provision for Impairment loss allowance on loan assets	(123.66)
Securitisation transaction impact	(4.28)
Fair Value of Security Deposit	0.20
Lease reserves	1.01

(Currency : Indian Rupees in lakhs)

Others	0.72
Tax impact of Ind AS adjustments	(241.97)
Net profit for the year ended under Ind AS	**308.28**
Other comprehensive income (net of tax) attributable to owners of the Company	(0.72)
Total comprehensive income as per Ind AS (attributable to owners of the Company)	**307.56**

47. First-time adoption of Ind AS

v) Notes to first-time adoption:

a) Interest free lease deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets except Trade Receivables are required to be initially recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. The difference between the fair value and transaction value of the security deposit on initial recognition is recognised as prepaid rent and the same has been reduced from security deposit. Subsequently the interest unwinding is done on the security deposit amount and recognised as interest income under the head other income and prepaid rent is amortised as finance cost with respect to time value.

b) Loan Assets

Under previous GAAP, transaction income earned on loan assets was recognised upfront while under Ind AS, such income (net of expenses) are included in the initial recognition amount of financial assets and recognised as interest income using the effective interest method.

c) Ind AS 116 - leases

Under previous GAAP, payments made under operating leases (net of any incentives received from the lessor) were charged to statement of profit and loss on a straight-line basis over the period of the lease unless, the payments are structured to increase in line with expected general inflation, to compensate for the lessor's expected inflationary cost increases.

Ind AS 116 requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals. In the Statement of Profit and Loss, lessees presents interest expense on the lease liability and depreciation on the right-of-use asset.

d) Borrowings and subordinated debt instruments (Transaction cost)

Under previous GAAP, transaction costs incurred on debt instruments and borrowings was expensed over the tenure of the borrowing on straight line basis.

Under Ind AS, such costs are reduced from the carrying amount of financial liability on its initial recognition. These costs re recognised as interest expense

e) Expected Credit loss

Under the previous GAAP, provisions against loans and advances were made as per the prudential norms specified by the RBI. In accordance with Ind AS 109, the Company is required to recognise provisions by applying the expected credit loss model. Accordingly, the Company has reversed all outstanding provisions created against advances under the previous GAAP and recognised an amount for expected credit losses on its loans and other financial assets with a corresponding adjustment to profit and loss and consequently, equity.

f) Deferred tax

Under the Previous GAAP, the deferred tax was accounted based on timing differences impacting the Statement of Profit and Loss for the period. DTA was recognized only when and to the extent there is a reasonable certainty of its realization. Unabsorbed depreciation or carry forward of losses then in such a case deferred tax asset should be to the extent there is a virtual certainty supported by convincing evidence.

Deferred tax under Ind AS has been recognised for temporary differences between tax base and the book base of the relevant assets and liabilities. Deductible temporary differences are recognized to the extent of the probability of taxable profits in future periods. Deferred tax impact has been considered on the adjustments made on transition to Ind AS.

g) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of statement of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

h) Reversal of Lease Equalisation Reserve

Under the erstwhile Accounting Standards, the Lease Equalisation Reserve was created, However upon implementation of "Ind AS 116-Leases" this reserve is no longer required. Hence the same has been reversed.

(Currency : Indian Rupees in lakhs)

Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2020

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash from/(used in) operating activities	(19,423.23)	(1,504.39)	(20,927.62)
Net cash from/(used in) investing activities	11.90	(0.01)	11.89
Net cash from/(used in) financing activities	30,661.37	1,504.40	32,165.77
Net increase/(decrease) in cash and cash equivalents	**11,250.04**	**-**	**11,250.04**
Cash and cash equivalents at the beginning of the year	1,036.52	-	1,036.52
Cash and cash equivalents at the end of the year	12,286.56	(0.43)	12,286.13

48. Events after reporting date

There have been no major events which will cause changes to any numbers reported in the financial statements.

49. Regulatory disclosures - RBI

The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01,2016 as amended.

The additional disclosure notes required by the Reserve Bank of India (RBI) are prepared under Indian Accounting Standards (Ind AS) issued by Ministry of Corporate Affairs (MCA), unless otherwise stated.

49.1 Capital to risk assets ratio (CRAR)#	**As at March 31, 2021**	**As at March 31, 2020**
CRAR (%)	67.01%	73.95%
CRAR - Tier I capital (%)	66.27%	73.49%
CRAR - Tier II Capital (%)	0.74%	0.46%
Amount of Subordinated debt raised as tier II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

#The Company has adopted Ind AS from accounting year beginning on April 01, 2020 with the effective transition date April 01, 2019. Capital adequacy ratio as on March 31, 2020 are not recomputed as per Ind AS and shown as per previous GAAP.

49.2 Investments

The Company has Nil investments as on March 31, 2021 and March 31, 2020.

49.3 Derivatives

The Company has not entered into any forward rate agreements, interest rate swaps, exchange traded interest rate derivatives.

49.4 Asset liability management

(A) Maturity pattern of certain items of assets and liabilities As at March 31, 2021

A.i	Assets			
	Loans	**Investments**	**Fixed Deposits**	**Foreign Currency Assets**
1 day to 7 days	119.82	-	5,300.32	-
8 day to 14 days	203.85	-	-	-
15 day to 30/31 days (One month)	325.10	-	-	-
Over One months to 2 months	647.51	-	1,502.42	-
Over 2 months up to 3 months	650.34	-	5,505.91	-
Over 3 months to 6 months	1,998.10	-	-	-
Over 6 months to 1 year	4,245.88	-	-	-
Over 1 year to 3 years	18,243.92	-	-	-
Over 3 years to 5 years	14,983.13	-	125.05	-
Over 5 years	11,569.93	-	-	-
	52,987.58	**-**	**12,433.70**	**-**

(Currency : Indian Rupees in lakhs)

A.ii	Borrowings and Debt Securities	Liabilities Deposits #	Foreign Currency Liabilities
1 day to 7 days	-	-	-
8 day to 14 days	-	-	
15 day to 30/31 days (One month)	516.76	-	
Over One months to 2 months	277.43	-	-
Over 2 months up to 3 months	1,138.84	-	-
Over 3 months to 6 months	1,303.58	-	-
Over 6 months to 1 year	3,588.36	-	-
Over 1 year to 3 years	19,018.07	-	-
Over 3 years to 5 years	2,355.47	-	-
Over 5 years	343.71	-	-
	28,542.22	**-**	**-**

49. Regulatory disclosures - RBI

(B) Maturity pattern of certain items of assets and liabilities As at March 31, 2020

B.i	Assets			
	Loans	Investments	Fixed Deposits	Foreign Currency Assets
1 day to 7 days	6.99	-	-	-
8 day to 14 days	41.09	-	4,501.74	-
15 day to 30/31 days (One month)	20.35	-	5,001.95	-
Over One months to 2 months	70.64	-	-	-
Over 2 months up to 3 months	164.96	-	1,000.39	-
Over 3 months to 6 months	1,734.21	-	-	-
Over 6 months to 1 year	3,478.65	-	-	-
Over 1 year to 3 years	15,438.13	-	-	-
Over 3 years to 5 years	14,666.57	-	-	-
Over 5 years	13,037.38	-	117.97	-
	48,658.97	**-**	**10,622.05**	**-**

B.ii	Borrowings and Debt Securities	Liabilities Deposits#	Foreign Currency Liabilities
1 day to 7 days	-	-	-
8 day to 14 days	-	-	-
15 day to 30/31 days (One month)	1,101.52	-	-
Over One months to 2 months	283.86	-	-
Over 2 months up to 3 months	346.01	-	-
Over 3 months to 6 months	1,946.76	-	-
Over 6 months to 1 year	3,547.20	-	-
Over 1 year to 3 years	12,058.17	-	-
Over 3 years to 5 years	5,651.49	-	-

(Currency : Indian Rupees in lakhs)

Over 5 years	-	-	-
	24,935.01	-	-

This pertains to inter corporate deposits

49.5 Exposures

The Company has Nil exposure to residential mortgages, commercial real estate, Investments in mortgage backed securities (MBS) and other securitised exposures and capital markets as on as on March 31, 2021 and March 31, 2020.

49.6 Details of financing of parent Company products:

Details of financing of parent Company products: Nil (Previous year : Nil)

49.7 Details of single borrower limit and borrower group limit exceeded by the Company:

During the year ended March 31, 2021 and March 31, 2020 the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the RBI."

49. Regulatory disclosures - RBI

49.8 Unsecured advances

The portfolio of Company include unsecured loans. Details of loans are provided in Note 6.
During the year, the Company has not given any advance against collateral of rights, licenses, authority, etc. (Previous year : Nil).

49.9 Registration obtained from other financial sector regulators

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

i) Ministry of Corporate Affairs

ii) Securities and Exchange Board of India (SEBI)

49.10 Disclosure of penalties imposed by RBI and other regulators- Rs. Nil (Previous year - Rs. Nil)

49.11 Related party transactions

All material transactions with related parties are reflected in Note - 37

49.12 Details of transaction with non executive directors - Rs. Nil (Previous year - Rs. Nil)
Non-Executive Directors have no pecuniary relationship with the Company, except receiving sitting fees for the meetings attended.

49.13 Provisions and contingencies

	As at March 31, 2021	As at March 31, 2020
Breakup of provisions and contingencies shown under the head other expenses in the Statement of Profit and loss		
Provision towards Stage 3	281.42	-
Provision made towards tax expenses	357.06	238.59
Provision for Stage 1/Stage 2 Assets including restructured and others	(203.38)	232.03
Provision for Stage 1 other financial assets	-	0.56
Other Provision and Contingencies *	174.30	171.29
***Other provisions and contingencies**		
Provision for gratuity expense	16.17	12.83
Provision for compensated absences	17.36	3.48
Provision for ESOP	140.77	154.98
Total	**174.30**	**171.29**

(Currency : Indian Rupees in lakhs)

49.14 Draw down from reserves

During the current year the Company has not drawn from any reserve. (Previous year : Nil)

49.15 Concentration of deposits, advances, exposures and NPA assets

	As at March 31, 2021	As at March 31, 2020
A. Concentration of advances		
Total Advances to twenty largest borrowers	7,654.26	6,982.32
% of Advances to twenty largest borrowers to Total Advances	14.33%	14.25%
B. Concentration of exposures		
Total Exposures to twenty largest borrowers / Customers	7,743.06	7,162.75
% of Exposures to twenty largest borrowers / Customers to Total Advances	14.50%	14.62%
C. Concentration of NPA Advances		
Total Exposures to top Four NPA Assets	694.73	-

49. Regulatory disclosures - RBI

D. Sector-wise NPA Assets

Sectors	% of NPA assets to Total Advances in that sector As at March 31, 2021	As at March 31, 2020
Agriculture and allied activities	0.00%	0.00%
MSME	0.00%	0.00%
Corporate borrowers	0.00%	0.00%
Services	0.00%	0.00%
Unsecured loans - Bill discounting	0.00%	0.00%
Auto loans	0.00%	0.00%
Other loans	1.31%	0.00%

E. Concentration of deposits

The Company is a Non Deposit Accepting Systemically Important NBFC. Accordingly, the Company has not accepted any deposits during the current and previous year. Also there are no outstanding deposits from earlier years (Previous Year : Nil).

49.16 Movement in non-performing assets (NPAs)

The following table sets forth, for the periods indicated, the details of movement of Stage 3 assets net of provision (Also refer note 6.b)

	As at March 31, 2021	As at March 31, 2020
(i) Net NPAs to net advances (%)	0.79%	0.00%
(ii) Movement of NPAs (gross)		
(a) Opening balance	-	-
(b) Additions during the year	701.74	-
(c) Reductions during the year		-
(d) Closing balance	**701.74**	**-**
(iii) Movement of net NPAs		
(a) Opening balance	-	-
(b) Additions during the year	420.32	-
(c) Reductions during the year	-	-
(d) Closing balance	**420.32**	**-**
(iv) Movement of provisions for NPAs (excluding provision on standard assets)		
(a) Opening Balance	-	-
(b) Additions during the year	281.42	-
(c) Write off/ write back of excess provision	-	-
(d) Closing balance	**281.42**	**-**

(Currency : Indian Rupees in lakhs)

Customer complaints		For the year ended March 31, 2021	For the year ended March 31, 2020
i)	No. of complaints pending at the beginning of the year	0	0
ii)	No. of complaints received during the year	51	56
iii)	No. of complaints redressed during the year	51	56
iv)	No. of complaints pending at the end of the year	0	0

Rating assigned by credit rating agencies

Rating Agency: CARE Ratings Limited (Formerly known as Credit Analysis and Research Limited)

Instrument Type	Rating Date	Rating Assigned
Long Term Bank Facilities	August 12, 2019	CARE A-
	September 27, 2019	CARE A-
	December 16, 2019	CARE A-
	February 7, 2020	CARE A-
	November 18, 2020	CARE A-
	December 30, 2020	CARE A-
Non Convertible Debentures	February 7, 2020	CARE A-
	May 15, 2020	CARE A-
	June 29, 2020	CARE A-
	September 10, 2020	CARE A-
	December 30, 2020	CARE A-
Market Linked Debentures	September 10, 2020	CARE PP MLD A-
	December 30, 2020	CARE PP MLD A-

Note : There has been no change in the Credit Rating assigned during the year.

(Currency : Indian Rupees in lakhs)

49. *Regulatory disclosures - RBI (Continued)*

49.19 Disclosures relating to assignment and securitisation

49.19.1 The Company has not entered into any securitisation transactions during the current year. (Previous year : Refer note below)

No.		As at March 31, 2021	As at March 31, 2020
1	No of SPVs sponsored by the NBFC for securitisation transactions	1	1
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	1,955.73	2,346.88
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of	-	-
	(a) Off-Balance Sheet exposures		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	First loss	117.34	117.34
	Others	293.36	293.36
4	Amount of exposures to securitisation transactions other than MRR	-	-
	(a) Off-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

49.19.2 Outstanding amount of assigned assets as per books of the Special Purpose Vehicle sponsored

The Company has not entered into any assignment transactions during the current year. (Previous year : Nil).

49.19.3 Details of financial assets sold to securitisation/reconstruction Company for asset reconstruction

The Company has not sold any financial assets to securitisation/reconstruction Company for asset reconstruction during the year ended March 31, 2021 and March 31, 2020.

49.20 Details of non-performing financial assets purchased / sold by the Company

The Company has neither purchased nor sold non performing assets during the year ended March 31, 2021 and March 31, 2020.

49.21 Disclosure as per the circular no DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 issued by Reserve Bank of India on "COVID 19 regulatory package - Asset Classification and provisioning"

	As at March 31, 2021	As at March 31, 2020
Amounts in SMA/overdue categories, where the moratorium/deferment was extended	393.10	393.10
Amount where asset classification benefits is extended	-	-
Provision Created	39.31	19.66
Less: Provisions adjusted during the against slippages	(39.31)	-
Residual provisions	-	19.66

Auxilo Finserve Private Limited

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

(Currency : Indian Rupees in lakhs)

49.22 Comparison of Regulatory Provision for NPA and Impairment Provision as per Ind AS

As at March 31, 2021

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						
Standard	Stage-1	52,138.58	82.26	52,056.32	209.66	(127.40)
	Stage-2	563.50	52.56	510.94	43.28	9.28
Sub total		**52,702.08**	**134.82**	**52,567.26**	**252.94**	**(118.12)**
Non Performing Assets (NPA)						
Substandard	Stage-3	701.74	281.42	420.32	70.95	210.47
Doubtful						
up to 1 year	Stage-3	-	-	-	-	-
1 to 3 Years	Stage-3	-	-	-	-	-
More than 3 years	Stage-3	-	-	-	-	-
Sub total for Doubtful		-	-	-	-	-
Loss	Stage-3	-	-	-	-	-
Subtotal for NPA		**701.74**	**281.42**	**420.32**	**70.95**	**210.47**
Other items	Stage-1	-	-	-	-	-
Other items	Stage-2	-	-	-	-	-
Other items	Stage-3	-	-	-	-	-
Total	**Stage-1**	**52,138.58**	**82.26**	**52,056.32**	**209.66**	**(127.40)**
	Stage-2	**563.50**	**52.56**	**510.94**	**43.28**	**9.28**
	Stage-3	**701.74**	**281.42**	**420.32**	**70.95**	**210.47**
	Total	**53,403.82**	**416.24**	**52,987.58**	**323.89**	**92.35**

As at March 31, 2020

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						
Standard	Stage-1	48,997.17	338.20	48,658.97	197.28	140.92
	Stage-2	-	-	-	-	-
Sub total		**48,997.17**	**338.20**	**48,658.97**	**197.28**	**140.92**
Non Performing Assets (NPA)						
Substandard	Stage-3	-	-	-	-	-
Doubtful						
up to 1 year	Stage-3	-	-	-	-	-
1 to 3 Years	Stage-3	-	-	-	-	-
More than 3 years	Stage-3	-	-	-	-	-
Sub total for Doubtful		-	-	-	-	-
Loss	Stage-3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items	Stage-1	-	-	-	-	-
Other items	Stage-2	-	-	-	-	-
Other items	Stage-3	-	-	-	-	-
Total	**Stage-1**	**48,997.17**	**338.20**	**48,658.97**	**197.28**	**140.92**
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
	Total	**48,997.17**	**338.20**	**48,658.97**	**197.28**	**140.92**

(Currency : Indian Rupees in lakhs)

49.23 Disclosure of Restructured Accounts

(as required by RBI guidelines under reference DNBS. CO. PD. No. 367 / 03.10.01 / 2013-14 dated January 23, 2014)

Sl No	Type of Restructuring → Asset Classification → Details ↓		Standard	Sub Standard	Doubtful / Loss	Total
1	Restructured Accounts as on April 1 of the Financial Year (opening figures)	No. of borrowers	-	-	-	-
		Amount outstanding	-	-	-	-
		Provision thereon	-	-	-	-
2	Fresh restructuring during the year	No. of borrowers	6	-	-	6
		Amount outstanding*	424.29	-	-	424.29
		Provision thereon	43.08	-	-	43.08
3	Recovery	No. of borrowers	-	-	-	-
		Amount outstanding	-	-	-	-
		Provision thereon	-	-	-	-
4	Upgradations to restructured standard category during the Financial Year	No. of borrowers	-	-	-	-
		Amount outstanding	-	-	-	-
		Provision thereon	-	-	-	-
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk	No. of borrowers	-	-	-	-
		Amount outstanding	-	-	-	-
		Provision thereon	-	-	-	-
6	Down gradations of restructured accounts during the Financial Year	No. of borrowers	-	-	-	-
		Amount outstanding	-	-	-	-
		Provision thereon	-	-	-	-
7	Write-offs of restructured accounts he Financial Year	No. of borrowers	-	-	-	-
		Amount outstanding	-	-	-	-
		Provision thereon	-	-	-	-
8	Restructured Accounts as on March 31 of the Financial Year (closing figures)	No. of borrowers	6	-	-	6
		Amount outstanding	424.29	-	-	424.29
		Provision thereon	43.08	-	-	43.08

* Outstanding as on 31 March 21

One time restructuring

Details of resolution plan implemented under the Resolution Framework for COVID-19 related Stress as per RBI circular (RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21) dated August 6, 2020 are given below.

Type of borrower	(A) Number of borrowers 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 Loans	6	422.20	-	-	43.08
Corporate persons*	-	-	-	-	
Of which, MSMEs	-	-	-	-	
Others	-	-	-	-	
Total	6	422.20	-	-	43.08

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at April 1, 2020 (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2020
Personal Loans	-	-	-	-	424.29
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	424.29

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

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

(Currency : Indian Rupees in lakhs)

49.24 Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies from March 31, 2020 onwards

49.24.a Funding Concentration based on significant counterparty (borrowings, debt securities)

Particulars	As at March 31, 2021	As at March 31, 2020
No. of Significant Counterparties*	10	5
Amount (₹ in lakh)#	26,551.13	23,202.65
Percentage of funding concentration to total deposits	-	-
Percentage of funding concentration to total liabilities#	89.40%	88.37%

49.24.b Top 20 large deposits

Not applicable

49.24.c Top 10 Borrowings

Particulars		As at March 31, 2021	As at March 31, 2020
Total amount of top 10 borrowings (₹ in lakh)#	Banks	14,142.80	19,202.65
Percentage of amount of top 10 borrowings to total borrowings	Banks	53.27%	82.76%
Total amount of top 10 borrowings (₹ in lakh)#	Financial Institutions	1,125.00	1,500.00
Percentage of amount of top 10 borrowings to total borrowings	Financial Institutions	4.24%	6.46%
Total amount of top 10 borrowings (₹ in lakh)#	Non Convertible Debentures	11,283.33	2,500.00
Percentage of amount of top 10 borrowings to total borrowings	Non Convertible Debentures	42.50%	10.77%

49.24.d Funding concentration based on significant instrument / product:**

		As at March 31, 2021		As at March 31, 2020	
	Particulars	₹ in lakh	% of Total liabilities #	₹ in lakh	% of Total liabilities #
a)	Term loan	15,267.80	51.41%	20,702.65	78.85%
b)	Non convertible debentures	11,283.33	37.99%	2,500.00	9.52%

Total Liabilities represents total liabilities as per balance sheet less total equity

49.24.e Stock Ratios:

	Particulars	As at March 31, 2021	As at March 31, 2020
i)	Commercial Papers to Total Liabilities	Nil	Nil
ii)	Commercial Papers to Total Assets	Nil	Nil
iii)	Commercial Papers to Public funds	Nil	Nil
iv)	NCD(Original Maturity < 1yrs.) to Total Liabilities	Nil	Nil
v)	NCD(Original Maturity < 1yrs.) to Total Assets	Nil	Nil
vi)	NCD(Original Maturity < 1yrs.) to Public funds	Nil	Nil
vii)	Other Short Term Liabilities to Total Liabilities ##	1.02%	1.44%
viii	Other Short Term Liabilities to Total Assets ##	0.45%	0.61%
ix)	Other Short Term Liabilities to Public funds ##	Nil	Nil

All the above numbers are excluding notional Ind AS adjustments.

Other short term liabilities include all the financial liabilities maturing within next 12 months other than Commercial Paper and NCDs

49.24.f Institutional set-up for liquidity risk management:

The Company's Board of Directors assume the overall responsibility for management of liquidity risk.

Risk Management Committee ('RMC') shall have overall responsibility of evaluating liquidity risks faced by the entity and will act as per mandate of the Board in managing the liquidity risk and adherence to this framework through itself and the various sub-committees reporting into it.

Asset Liability Committee ('ALCO') reports into the RMC which in turn is supported by Asset Liability Management Support Group in managing the overall liquidity risk of the Company.

49.25 Overseas assets

The Company did not have any Joint Ventures and Subsidiaries abroad as at March 31, 2021 (March 31, 2020: Nil)

49.26 Based on the RBI circular RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 07, 2021 the Company is required to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020. The Company has computed the amount of interest on interest based on the methodology prescribed by Indian Banks' Association which is approximating to Rs. 24.67 lakhs. The Company is in process of providing the credit to the respective customer. Meanwhile, the Company has adjusted the interest income to that extent.

49.27 Scheme of Ex-gratia payment

The Government of India has announced the Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (March 1, 2020 to August 31, 2020) (the 'Scheme') on October 23, 2020, which mandates ex-gratia payment to certain categories of borrowers by way of crediting the difference between simple interest and compound interest for the period between March 1, 2020 to August 31, 2020 by respective lending institutions. Management has computed the amount of ex-gratia and passed it on to the respective customer. The amount calculated and refunded is Rs 55.35 lakhs.

49.28 Reporting of Frauds

The Company has not reported any fraud during the current year (Previous year : Nil)

50. Previous year previous GAAP figures have been regrouped / reclassified to make them comparable with Ind AS presentation.

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

RUSSELL IVAN PARERA Digitally signed by RUSSELL IVAN PARERA Date: 2021.05.12 20:40:14 +05'30

Russell I Parera
Partner
Membership No. - 042190

Mumbai
May 12, 2021

For and on behalf of the Board of Directors
Auxilo Finserve Private Limited

MANISH BALKISHAN CHOKHANI Digitally signed by MANISH BALKISHAN CHOKHANI Date: 2021.05.12 19:49:55 +05'30'

Manish Chokhani
Director
DIN - 00204011

NEERAJ N SAXENA

Neeraj Saxena
MD & CEO
DIN - 07951705

HARSHA SAKSENA Digitally signed by HARSHA SAKSENA Date: 2021.05.12 18:50:27 +05'30'

Harsha Saksena
Chief Financial Officer

Deepika Thakur Chauhan

Deepika Thakur Chauhan
Company Secretary

Mumbai
May 12, 2021

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

(Currency : Indian Rupees in lakhs)

Annexure -I

Schedule to the Balance Sheet of "Auxilo Finserve Private Limited" (as required in terms of paragraph 19 of Systemically Important Non-Banking Financial (Non- Deposit Accepting orHolding) Companies Prudential Norms (Reserve Bank) Directions, 2016

Particulars	As at March 31, 2021			As at March 31, 2020		
Liabilities side :	Amount outstanding	Amount overdue	Total	Amount outstanding	Amount overdue	Total
1) Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid:						
(a) Debentures : Secured	11,933.40	-	11,933.40	-	-	-
: Unsecured	-	-	-	2,482.75	-	2,482.75
(other than falling within the meaning of public deposits)						
(b) Deferred credits	-	-	-	-	-	-
(c) Term loans	15,070.20	-	15,070.20	20,390.11	-	20,390.11
(d) Inter-corporate loans and borrowing	-	-	-	-	-	-
(e) Commercial paper	-	-	-	-	-	-
(f) Public deposits	-	-	-	-	-	-
(h) Other loans (Borrowings)	1,538.62	-	1,538.62	2,062.15	-	2,062.15
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	-	-	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-	-	-
(b) Other public deposits	-	-	-	-	-	-
Assets side :						
3) Break-up of loans and advances including bills receivables [other than those included in (4) below]						
(a) Secured	31,376.06	-	31,376.06	28,713.44	-	28,713.44
(b) Unsecured	22,027.76	-	22,027.76	20,283.73	-	20,283.73

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

(Currency : Indian Rupees in lakhs)

4) Break up of Leased assets and stock on hire and other assets counting towards AFC activities						
(i) Lease assets including lease rentals under sundry debtors:						
(a) Financial lease	-	-	-	-	-	-
(b) Operating lease	-	-	-	-	-	-
(ii) Stock on hire including hire charges under sundry debtors:						
(a) Assets on hire	-	-	-	-	-	-
(b) Repossessed assets	-	-	-	-	-	-
(iii) Other loans counting towards AFC activities			-			-
(a) Loans where assets have been repossessed	-	-	-	-	-	-
(b) Loans other than (a) above	-	-	-	-	-	-
5) Break-up of investments :						
Current investments :						
1. Quoted						
(i) Shares : (a) Equity	-	-	-	-	-	-
(b) Preference	-	-	-	-	-	-
(ii) Debentures and bonds	-	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	-	-	-
(iv) Government securities	-	-	-	-	-	-
(v) Others (please specify)	-	-	-	-	-	-
2. Unquoted						-
(i) Shares : (a) Equity	-	-	-	-	-	-
(b) Preference	-	-	-	-	-	-
(ii) Debentures and bonds	-	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	-	-	-
(iv) Government securities	-	-	-	-	-	-
(v) Others (please specify)	-	-	-	-	-	-

Notes to the financial statements for the year ended March 31, 2021
(Currency : Indian Rupees in lakhs)

Annexure -I

Schedule to the Balance Sheet of "Auxilo Finserve Private Limited" (as required in terms of paragraph 19 of Systemically Important Non-Banking Financial (Non- Deposit Accepting orHolding) Companies Prudential Norms (Reserve Bank) Directions, 2016

Particulars	As at March 31, 2021			As at March 31, 2020		
	Amount outstanding	Amount overdue	Total	Amount outstanding	Amount overdue	Total
Long term investments :						
1. Quoted						
(i) Shares : (a) Equity	-	-	-	-	-	-
(b) Preference	-	-	-	-	-	-
(ii) Debentures and bonds	-	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	-	-	-
(iv) Government securities	-	-	-	-	-	-
(v) Others (please specify)	-	-	-	-	-	-
2. Unquoted						
(i) Shares : (a) Equity	-	-	-	-	-	-
(b) Preference	-	-	-	-	-	-
(ii) Debentures and bonds	-	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	-	-	-
(iv) Government securities	-	-	-	-	-	-
(v) Others (please specify)	-	-	-	-	-	-

6) Borrower group-wise classification of assets financed as in (3) and (4) above:	Amount net of provision (Refer note 22)			Amount net of provision (Refer note 22)		
Category	**Secured**	**Unsecured**	**Total**	**Secured**	**Unsecured**	**Total**
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	31,376.06	22,027.76	53,403.82	28,713.44	20,283.73	48,997.17
Total	**31,376.06**	**22,027.76**	**53,403.82**	**28,713.44**	**20,283.73**	**48,997.17**
7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)						
Category	**Market Value / Break up or fair value or NAV**	**Book Value (Net of provisions)**	**Total**	**Market Value / Break up or fair value or NAV**	**Book Value (Net of provisions)**	**Total**
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	-	-	-	-	-	-
Total	-	-	-	-	-	-
8) Other Information						
Particulars	**Amount**	**Amount**	**Total**	**Amount**	**Amount**	**Total**
(i) Gross non- performing assets						
(a) Related parties	-	-	-	-	-	-
(b) Other than related parties	701.74	-	701.74	-	-	-
(ii) Net non- performing assets						-
(a) Related parties	-	-	-	-	-	-
(b) Other than related parties	420.32	-	420.32	-	-	-
(iii) Assets acquired in satisfaction of debt	-	-	-	-	-	-

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AUXILO®
The next level beckons

At Spoctree.com, we are proud of being one of the initial business partners of Auxilo to source prospects. In this journey, we were able to service many students and help them achieve their goals. It's not just business among us but it is a journey to deliver our best and help people achieve their dreams. We thank Team Auxilo for believing in us! With your support, we continue to grow as one of the leading Financial Aggregation platforms in India.

Harsh Upadhyaya
Business Head

EduSaarathi provides holistic counseling to students. Funding options are an important aspect of our counseling. 9 out of 10 students from ES prefer 100% financing for their study aspirations. Auxilo provides professional support to our students with their financing options. It makes our job of counseling students a lot better as funding is very crucial in a student's study abroad dream. We thank you for the continued support for our students.

R. Rengarajan
Co-founder & Director

I would like to give some well-deserved appreciation to the team of Auxilo for working to swiftly and tirelessly to transfer the funds within 24 hours. Prior to this I went through a lot of problems with other financial institutions because of which my application wasn't going through, so I really value the work they put in which helps getting education loans for students.

-Mokshada Kumar

When I went looking for a study loan, I never got the service and patience from any bank as compared to what I got from Auxilo. They explained each detail over and over again till I understood everything. I was very impressed with the level of professionalism that the team displayed and had a great experience with them.

-Akbar Jamal Abbas

"Most Preferred Education Loan Provider 2019"
- Higher Education Digest

"The 25 Most Recommended Banking & Financial Solution Providers In 2020"
- Business Connect

"Best Startup to Work For, Mumbai 2020"
- SiliconIndia Startup City

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