MANBA FINANCE

THE ANNUAL REPORT (2021-22)

CORPORATE INFORMATION

With humble beginnings in 1996, Manba Group has over the last 26 years grown to be a leading Financier of Western India known for its sound business practices, accurate industry knowledge and customer centric operations. With over 8.5 Lakh Happy Customers, Manba takes pride in providing "Wheels To People's Dreams". Mr. Shah's vision for Manba Group is to become a one stop shop for any two wheeler financing needs.

Last 6 years have been the most celebrated ones for Manba Finance Limited. Along with leaping progresses in innovation, technology, products and customer outreach, we ushered in an era of expansion in this half a decade. We extended our footprint with 28 branches and establishing operations in 3 states. We have strengthened the Manba Family with over 900+ members dedicated towards making Manba synonymous with 2 Wheeler Finance.

VISION

To be a leading financial services provider, admired and respected for ethics, values and corporate governance.

VALUES

We adhere to a set of values that secure every aspect of our core principles.

CORE VALUES

Integrity
Commitment
Reliability
Service
Excellence
Compliance of Laws
Regulations and
Code of Conduct

MISSION

To provide the best financial services to the one who desires to fulfill his own dreams.

Highlights FY 2021-22

Gross AUM
495.82 Crore

Net Worth
152.42 Crore

28
Offices delivering loans across 40+ locations

8.5Lac+
Happy Customers

900+
Employees

CORPORATE INFORMATION

BOARD OF DIRECTORS

Kirit Shah
Chairman

Manish Shah
Managing Director

Nikita Shah
Director

Monil Shah
Director

Anshu Shrivastava
Independent Director

Abhinav Sharma
Independent Director

KEY MANAGERIAL PERSONNEL

Jay Mota
Chief Financial Officer

Bhavisha Jain
Company Secretary

CIN:

U65923MH1996PLC099938

STATUTORY AUDITORS

M/s ATMS & Co. LLP
Chartered Accountants

SECRETARIAL AUDITORS

M/s Ronak Jhuthawat and Co
Company Secretaries

RATING AGENCY

Care Ratings Limited
Acuite Ratings and Research Limited

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited
Asian Building, Ground Floor, 17 R. Kamani Marg,
Ballard Estate, Mumbai - 400 001
Tel No : 022-40807000
Website : www.idbitrustee.com

REGISTRAR & TRANSFER AGENT

Purva Sharegistry India Pvt. Ltd.
Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt,
J. R. Boricha Marg, Lower Parel East,
Mumbai, Maharashtra 400011
Phone No. 022 2301 6761

REGISTERED OFFICE

324, Runwal Heights, L.B.S Marg,
Opp. Nirmal Lifestyle, Mulund, West,
Mumbai – 400 080 Maharashtra, India
Website: www.manbafinance.com
E Mail: info@manbafinance.com
Phone : +91 022 662346666

CORPORATE OFFICE

MANBA HOUSE, Plot Number A-79, Road No. 16,
MIDC, Wagle Industrial Estate, , Thane West
Thane 400604, Maharashtra India

BANKS AND FINANCIAL INSTITUTIONS

Axis Bank Limited
Bank of Baroda erstwhile Dena Bank Limited
ICICI Bank Limited
IDFC First Bank Limited
Indian Overseas Bank Limited
Indusind Bank Limited
Kotak Mahindra Bank Limited
Saraswat Co-operative Bank Limited
State Bank of India Limited
South Indian Bank Limited
AU Small Finance Bank Limited
Capital Small Finance Bank
Fincare Small Finance Bank Limited
Incred Financial Services Limited
Jana Small Finance Bank Limited
Utkarsh Small Finance Bank Limited
Ujjivan Small Finance Bank Limited
A K Capital Finance Limited
Cholamandalam Investment & Finance Company Limited
Hinduja Leyland Finance Limited
MAS Financial Services Limited
Magma Fincorp Limited
Mahindra and Mahindra Financial Services Limited
Manappuram Finance Limited
Northern ARC Capital Limited
Northern Arc Money Market Alpha Trust
Tata Capital Finance Limited
Sundaram Finance Limited

MANAGING DIRECTOR'S MESSAGE

I am pleased to report that fiscal year 2021- 22 was yet another remarkable year for us, with strong growth across all performance metrics. This was possible by our employees' unwavering efforts and understanding of our people during this difficult time , consistent efforts to provide great value in terms of customer service, business growth, asset quality, digital adoption, and many others.

The macroeconomic environment was quite muted during the second year of Covid-19. While, the economy did not contract, it started with the worst phase of Covid during April and May 2021. Business improved and overall consumer sentiment picked up during the rest of 10 months, however, the damage was already significant. The road to recovery has been long, but we have already surpassed pre-Covid numbers as an economy.

FY2022 was an important year for us and we succeeded to manage book rundown, improve customer experience and safeguard the lending book through our robust credit practices. Another key challenge that we successfully tackled was by putting in place new strategies for sales and marketing to serve our customers better. We aimed and succeeded to make FY2022 a year of stability after the uncertain times that preceded.

We thank all the team for the hard work and dedication put in to overcome the challenges which led to a sigh of relief as early as Q2 FY2022. We are confident that Manba will meet its targets, and continue with the same vigour once again.

We are now better equipped than ever to take advantage of the opportunities that lie ahead. Our business has improved and we are continuing to invest in our future. We continue to attract new lenders, investors, expand our market, adopt technology and improve the way we communicate with every stakeholder.

In a volatile interest rate regime, it important that we manage and secure our NIMs (Net Interest Margins) and maintain our liquidity through a conservative ALM (Asset-Liability Matching). The former ensures our company's profitability while ALM ensures cashflow management.

The trust of our lenders and investors is paramount to maintain healthy NIMs and ALM. Apart from the continuous support from our existing lenders, we have on-boarded 5 new funding partners in :

• State Bank of India (SBI)
• Capital Small Finance Bank
• Incred Financial Services Limited
• Cholamandalam Investment and Finance Company
• MAS Financial Services Limited

Our goals for this new year are:

1)Territorial Penetration

We have built an excellent foundation for ourselves in Maharashtra and Gujarat over the last few years. We are now looking to expand our foothold in Chhattisgarh, Rajasthan, Interiors of Gujarat and Maharashtra. The idea is to make Manba a household name in these 4 states. To get to this stage, our first priority is to scale up operations in these states and make them our home.

2)Innovation and Digital First

We are consistently working on innovative and efficient systems that help us improve performance at every stage, be it sales, customer on-boarding, dealer support, recovery or simply customer communications. The Company will continue to invest research to bring in the next technological break-through in the world of lending.

3)Control and Processes

We are firmly grounded in our goal of constant improvement, customer satisfaction and growth for the benefit of everyone involved. We will continue to focus on better processes and policies that are key to our success as we seek to extend our competitive edge among our peers.

While we work diligently to create value for our stakeholders, we also proceed with caution because we are still on uncertain grounds. We cannot overstate how important it is to be agile in our pursuit of excellence.

I and the complete board and the entire leadership team, would like to thank every member of Manba Team for their spirit and dedication towards organisation and extend sincere gratitude to all the stakeholders for the continuous support and trust.

To,
The Members of Manba Finance Limited

Your Directors are pleased to present their 26th Annual Report, the business, operations and state of affairs of the Company together with the audited accounts of your Company for the Financial Year ended 31st March, 2022.

The performance highlights and summarised financial results of the Company are given below:

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The financial performance of your Company for the year ended 31st March, 2022 is summarised below:

Amount in

Particulars	**2021-22**	**2020-21**
Total Income	**10,702.44**	**10,587.74**
Employee Benefit Expenses	**2,287.14**	**1,892.59**
Finance cost	**4,658.59**	**5,104.57**
Depreciation and amortization expense	**379.24**	**362.81**
Impairment on financial instruments	**282.22**	**245.51**
Other Expenses	**1,892.95**	**1,776.00**
Total Expenses	**9,500.14**	**9,381.48**
Profit Before Tax	**1,202.30**	**1206.26**
Tax expense:	**259.33**	**299.28**
Profit After Tax	**942.97**	**906.98**
Statutory Reserve as per Sec 45IC of RBI Act, 1934	**188.59**	**181.40**

THE PROPOSED AMOUNTS TO CARRY TO ANY RESERVES (section 134 (3j))

Reserves and surplus for the company is Rs. 1,39,8730,323 as on 31-03-2022

OPERATIONAL REVIEW

The overall business of the Company, which is primarily two- wheeler finance was impacted by lockdown like situations for first half financial year due to the COVID-19 pandemic. The Company enabled WFH for its employees allowing them to work at almost full capacity. Additionally, the Company's digital capabilities built during fiscal 2022 enabled it to perform various activities like customer on boarding and pre/post disbursement and collections processes (Video KYC, Video PD, online fee collection, online disbursements, NACH mandate for EMI collection etc.) online.

The Company adopted the IND- AS accounting standandars from 01-04-2021, Financial for year end 31-03-2022 are prepared on the basis of IND- AS accounting standards.

During the financial year under review, your Company continued its focus on its business and posted total income and net profit of of Rs. 10,702.44 lakhs and Rs. 942.97 lakhs against Rs. 10,587.74 lakhs and Rs. 906.98 lakhs respectively, in the previous year. Your Company transferred an amount of Rs. 188.59 lakhs to Reserve Fund pursuant to Section 45-IC of the RBI Act, 1934.

DIVIDEND

Your Directors have recommended reinvesting the profits into the business of the Company in order to build a strong reserve base for the long-term growth of the Company. Your Company has formulated a Dividend payout policy as per the applicable regulations for bringing transparency in the matter of declaration of dividend and to protect the interest of investors. In line with the Company's dividend payout policy and applicable regulations, your Directors have not recommended any dividend for fiscal 2022 (fiscal 2022: Nil).

STATE OF COMPANY'S AFFAIRS:

The operating and financial performance of the Company has been given in the Management Discussion and Analysis Report which forms part of this Annual Report. During the year under review, there has been no change in the nature of business of the Company.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no amount lying w.r.t unpaid/unclaimed Dividend, the provisions of Section 125 of the Companies Act, 2013 does not apply. Further, there was no amount due to be transferred to IEPF in respect to secured redeemable non-convertible debentures and interest thereon by the Company.

SHARE CAPITAL

The issued, subscribed and paid-up Equity Share Capital as on 31st March, 2022 was ₹12,55,64,700 comprising of 12556470 Equity Shares of the face value of ₹10/- each. During the year under review, the Company has neither issued shares with differential rights as to dividend, voting or otherwise, nor has issued sweat equity, as on 31st March, 2022, none of the Directors of the Company holds instruments convertible into Equity Shares of the Company.

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised Share Capital	₹15,00,00,000/-	₹15,00,00,000/-
Equity Shares	₹14,90,00,000/- (1,49,00,000 equity Shares of ₹10/- each)	₹14,90,00,000/- (1,49,00,000 equity Shares of ₹10/- each)
Preferential Shares	₹10,00,000/- (1,00,000 preference shares of ₹ 10/- each)	₹10,00,000/- (1,00,000 preference shares of ₹ 10/- each)
Total	₹15,00,00,000/-	₹15,00,00,000/-
Issued, subscribed and fully paid-up	₹ 12,55,64,700/- (1,25,56,470 equity shares of ₹ 10/- each)	₹ 12,55,64,700/- (1,25,56,470 equity shares of ₹ 10/- each)
Total	₹ 12,55,64,700 /-	₹ 12,55,64,700 /-

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board is in compliance with the applicable provisions of the Companies Act, 2013, ("Act") and the rules framed thereunder, guideline(s) issued by the Reserve Bank of India and other applicable laws inter alia with respect to appointment of women director, non-executive director(s) and independent director(s).

POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

In terms of Section 178 of the Companies Act, 2013 read with rules framed thereunder and the RBI Master Directions, as amended, your Company has adopted, 'Policy on "Fit & Proper" Person Criteria' for appointment of Directors and Senior Management Personnel of the Company which forms part of Nomination & Remuneration Policy of the Company. The said Policy is available on the website of the Company viz. www.manbafinance.com

DIRECTOR(S) DISCLOSURE

Based on the declarations and confirmations received in terms of the applicable provisions of the Act, circulars, notifications and directions issued by the Reserve Bank of India and other applicable laws, none of the Directors of your Company are disqualified from being appointed as Directors of the Company. The Company has received necessary declarations from the Independent Directors, affirming compliance with the criteria of independence laid under the provisions of Section 149(6) and sub rule 3 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 of the Act.

Your Board of Directors is of the Opinion that Independent Directors appointed / re-appointed during the year under review have the required integrity, expertise and experience (including the proficiency) as required under the applicable laws.

CHANGE IN DIRECTORS:

Director(s) retiring by rotation

In accordance with the provisions of the Companies Act, 2013 read along with the applicable Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Nikita M. Shah, retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

During the year under review no new Director has been appointed on the Board and no resignation took place.

"Key Managerial Personnel"

Mr. Manish K. Shah, Managing Director, Mr. Jay K. Mota, Chief Financial Officer and Ms. Bhavisha A. Jain, Company Secretary are the Key Managerial Personnel of the Company pursuant to the provisions of Section 203 of the Companies Act, 2013.

During the year under review, the composition of Key Managerial Personnel remains unchanged.

BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees of the Board of Directors.

A structured questionnaire designed for the performance evaluation of the Board, its Committees, Chairman and individual directors and in accordance with the criteria set and covering various aspects of performance including structure of the board, meetings of the board, functions of the board, role and responsibilities of the board, governance and compliance, conflict of interest, relationship among directors, director competency, board procedures, processes, functioning and effectiveness was circulated to all the directors of the Company for the annual performance evaluation. Based on the assessment of the responses received to the questionnaire from the directors on the annual evaluation of the Board, its Committees, the Chairman and the individual Directors, a summary of the Board Evaluation was placed before the meeting of the Independent Directors for consideration.

Similarly, the Board at its meeting assessed the performance of the Independent Directors. The Directors were satisfied with the results of the performance evaluation of the Board & its Committees, Chairman and individual directors.

The Board has completed the annual evaluation of its own performance, the individual Directors (including the Chairman) as well as an evaluation of the working of all Board Committees. The Board of Directors was assisted by the Nomination and Remuneration Committee ("NRC"). The performance evaluation was carried out by seeking inputs from all the Directors/Members of the Committees.

MEETING OF INDEPENDENT DIRECTORS

A Separate Meeting of Independent Directors of your Company was held on 27-12-2021 without the presence of the Non-Executive Chairman, the Managing Director, the Whole-time Director and the management team of the Company. The meeting was attended by all the Independent Directors.

SUBSIDIARIES / JOINT VENTURE / ASSOCIATE COMPANIES:

Your Company does not have any Subsidiary, Joint Venture or Associate Companies in accordance with the provisions of the Act, and hence, disclosure regarding the same is not applicable.

However the Company is associate Company of Manba Investment and Securities Private Limited.

HUMAN RESOURCE:

MFL believes it's employees are important pillars of success. It offers them a nurturing environment and a merit-based, rewarding work culture. The Company undertakes various employment engagement initiatives and regular reviews for optimal utilisation of human resources. Knowledge sharing and cross functional industry insights have enabled our staff to meet evolving business environment. With the proposed expansion of retail finance activity, Company has inducted significant industry talent at senior and mid-level into the organization. Talent across diversified business processes have been inducted to strengthen the Organization's Growth, Profitability & Sustainability.

To accelerate the company's growth and agility across locations, your Company has focused on strategic hiring. The company ended the year with a work force strength of 903 employees on its payroll.

The company has undertaken steps for employee's health and safety while ensuring continuous operations during the COVID 19 pandemic. Precautionary measures such as hand sanitizers for all employees at Central Office and branches, discontinuation of group meetings, encouraging use of digital channels for transactions, restriction on non-essential domestic travel were implemented.

Your Directors place on record the appreciation of effort and dedication of the employees in achieving good results during the year under review.

COMPLIANCE MONITORING & REPORTING TOOL:

In terms of provisions of Section 134(5)(f) of the Act, the Company has put in place a Compliance Management System for effectively tracking and managing critical action items related to regulatory and internal compliance requirements.

FINANCE & CREDIT RATINGS:

Finance:

During the year under review, Your Company raised funds from various public/private sector banks, and financial institutions. The Company continued to borrow funds inter alia by issue of Commercial Papers and Non-Convertible Debentures, term loan(s) from banks/ financial institutions etc. Details in this regard are stated and more particularly mentioned in the Audited Financial Statements.

DEBT SECURITIES:

The Company has not issued any new Non- Convertible Debentures. Compnay has redeemed the listed NCD's during the year under review.

S. No.	Particulars	No. of Debentures	Face Value of Debenture	Aggregating Value
2.	Axis trustee Services Limited acting in its capacity as trustee of the Northern Arc Money Market Alpha Trust with Northern Arc Money Market Alpha Fund as its scheme	100	10,00,000	10,00,00,000 (Rs Ten Crore)

CREDIT RATING:

The Company has been assigned A-by Acuite Ratings and Research Limited .

DEPOSITS:

The Company being a "Non-Deposit Accepting Non-Banking Financial Company", provisions of Section 73 and Section 74 of the Act read with Rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014, are not applicable to the Company.

During the year under review, the Company had neither accepted nor held any deposits from the public and shall not accept any deposits from the public without obtaining prior approval from the Reserve Bank of India.

ANNUAL RETURN:

Pursuant to the provisions of section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the company as on 31st March, 2022 once prepared shall be disclosed on the Company's website at www.manbafinance.com, Annual return as on 31st March, 2022 in form MGT-7 shall be available on the website of the Company viz. www.manbafinance.com.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES AND POLICY ON RELATED PARTY TRANSACTIONS:

All the Related Party Transactions entered by the Company are on arm's length basis and in the ordinary course of business. The disclosure in this regard forming part of this report is provided in the financial statement. All the Related Party Transactions as required under IND- AS are reported in the Notes to the financial statement.

During the year, the Company has not entered into any contract/ arrangement/transaction with related parties which may have a potential conflict with the interest of the Company at large. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee for their review on a periodical basis.

The policy on Related Party Transactions is placed on the website of the Company at www.manbafinance.com under policy section.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:
During the year under review, the Company had not made any investments in terms of provisions of Section 186(1) of the Act. Except for Section 186(1), the provisions of Section 186 of the Act pertaining to making investments, granting of loans to any persons or body corporate and giving of guarantees or providing security in connection with the loan to any other body corporate or persons are not applicable to the Company, since the Company is a Non-Banking Financial Company, registered with Reserve Bank of India.

INTERNAL FINANCIAL CONTROL SYSTEMS:
The Board of Directors confirms that your Company has laid down set of standards, processes and structure which ensures Internal Financial controls across the organization with reference to Financial Statements and that such controls are adequate and are operating effectively.
The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company ensures compliance with operating procedures, accounting procedures and policies at all locations of the Company. Based on the report of Internal Audit Function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit

COMMITTEE OF THE BOARD.
During the year under review, such controls were tested by the Internal Audit Department of the Company and no material weaknesses in the design or operations were observed. The Statutory Auditors have reviewed the said test results and found them to be effective.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:
The particulars regarding foreign exchange earnings and outgo appear as separate item in the notes to the Financial Statements. Since the Company does not carry any manufacturing activities, particulars to be disclosed with respect to conservation of energy and technology absorption under section 134(3) (m) of the Companies Act, 2013 read with Companies Accounts Rules, 2014 are not applicable.
The Company is however, constantly pursuing its goal of technological up-gradation in a cost effective manner for delivering quality customer service.

RISK MANAGEMENT:
Your Company manages a variety of risks that can significantly impact its financial performance and also its ability to meet the expectations of our customers, shareholders, regulators and other stakeholders. The company is exposed to financial risk, such as credit, interest rate, market, liquidity and funding risks, and non-financial, such as operational including compliance and model risks, strategic and reputation risks. Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. Various aspects of risk are taken into account while preparing the annual business plan for the year.
MFL's risk appetite is articulated in a statement of risk appetite, which is approved at least annually by the RMC of the Board. MFL continuously monitors its risk appetite, and the RMC as well as the Board reviews periodic risk appetite reports and analysis. The Board is also periodically informed of the business risks and the actions taken to manage them. The Board assesses management's performance, provides credible challenge, and holds management accountable for maintaining an effective risk management program and for adhering to risk management expectations.
The Board carries out its risk oversight responsibilities directly and through its committees. Further, The Risk Management Committee periodically reviews risk levels, portfolio composition, status of impaired credits, etc. Risk is everyone's responsibility and every team member is required to comply with applicable laws, regulations, and Company policies. The Board holds management accountable for establishing and maintaining the right risk culture and effectively managing risk.

THE REMUNERATION POLICY, DISCLOSURE OF REMUNERATION & PARTICULARS OF EMPLOYEES:
In terms of Section 178 of the Companies Act, 2013, your Board have adopted a 'Nomination and Remuneration Policy' inter-alia setting out the criteria for deciding remuneration of Executive Directors, Non-Executive Directors, Senior Management Personnel and other Employees of the Company. The said Policy is available on the website of the Company at www.manba.finance.com

In terms of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosures with respect to the remuneration of Directors, Key Managerial Personnel and Employees of the Company have been provided at Annexure to this Report.

In terms of Section 197 of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement relating to particulars of employees of the Company is available for inspection by the Members at the Registered Office of the Company during business hours on working days. A copy of this statement may be obtained by the Members by writing to the Company Secretary of the Company. The Board hereby confirm that the remuneration paid to the Directors is as per the Remuneration Policy of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR):
In accordance with the provisions of Section 135 of the Act and the CSR Policy, the Company has contributed Rs 30,00,000/- (Rupees Thirty Lakhs Only) (being 2 percent of the average net profit of the Company in the immediately three preceding financial years calculated as per Section 198 of the Act) towards CSR expenditure in various projects stipulated under Schedule VII of the Act. The details of the same is enclosed as Annexure IV to this Report as mandated under the said Rules. The Policy adopted by the Company on Corporate Social Responsibility (CSR) is placed on the website of the Company at www.manbafinance.com

WHISTLE BLOWER / VIGIL MECHANISM:

The Company as part of the 'vigil mechanism' has in place a 'Whistle Blower Policy' to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy has been placed on the website of the Company at www.manbafinance.com

This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate provisions protecting Whistle blowers from unfair termination and other unfair prejudicial and employment practices.

The audit committee of the board reviews the complaints received and resolution thereof under the said policy on a quarterly basis. It is hereby affirmed that the company has not denied any of its personnel, access to the Chairman of the Audit Committee.

During the year under review, the Company has not received any whistle blower complaint.

MANAGEMENT DISCUSSIONS AND ANALYSIS:

The Management Discussion and Analysis is annexed herewith as **Annexure I** to this Report.

Corporate Governance

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all interactions with its stakeholders. The Company believes that all its operations and actions must serve the underlying goal of enhancing long-term shareholder value. In the commitment to practice sound governance principles, Company is guided by its core principles viz. Transparency, Disclosures, Empowerment and Accountability, Compliances and Ethical Conduct.

Board of Directors:

In terms of the Corporate Governance philosophy all statutory and other significant material information is placed before the Board of Directors to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders. The Board currently consists of six Directors. There are, two executive Directors including women director and 3 non-executive directors out of which two are Independent Directors apart from the Managing Director. All the Directors bring a wide range of skills and experience to the board. The Independent Directors have confirmed that they satisfy the criteria prescribed for an Independent Director as stipulated under the provisions of Section 149(6) of the Companies Act, 2013.

List of Director

S. No.	Name of Director	Designation	DIN
1.	Kirit R. Shah	Chairman	00979608
2.	Manish K. Shah	Managing	00979854
3.	Nikita M. Shah	Director	00171306
4.	Monil M. Shah	Director	07054772
5.	Anshu Shrivastava	Independent Director	06594455
6.	Abhinav Sharma	Independent Director	07641980

Details of Board meetings

The Board met 30 times in the financial year 2021-22 viz., on 05th April, 2021 29 th April, 2021, 15thJune,2021 , 24th June, 2021, 26th June, 2021, 29th June, 2021, 03rd July, 2021, 12th July, 2021, 28th July, 2021, 14th August, 2021, 19th August, 2021, 26th August, 2021, 03rd September, 2021, 20th September, 2021, 24th September, 2021, 28th September, 2021, 06th October, 2021, 09th November, 2021, 10th November, 2021, 16th November, 2021, 23rd November, 2021, 04th December, 2021, 14th December, 2021, 31st December, 2021, 07th January, 2022, 19th January, 2022, 10th February, 2022, 21st February, 2022, 08th March, 2022, 31st March, 2022. The gap between two Meetings did not exceed one hundred and twenty days.

Committees of Board:

In accordance with the applicable provisions of the Act, the circular(s),notification(s) and directions issued by the Reserve Bank of India and the Company's internal corporate governance requirements, the Board has constituted various Committees with specific terms of reference to focus on specific issues and ensure expedient resolution on diverse matters.

The matters pertaining to financial results and auditor's report are taken care of by the Audit Committee and those pertaining to nomination /remuneration of Key Executives and Directors are within the realms of Nomination & Remuneration Committee. The Corporate Social Responsibility (CSR) Committee focuses on compliance of CSR policy and framework by the Company and monitors the expenditure to be incurred by the Company.

The Company Secretary acts as the Secretary for all the aforementioned Committees. The minutes of the meetings of all Committees along with summary of key decision/discussion taken at each Committee, is placed before the Board for discussion / noting /approval.

As at March 31, 2022, the Company has nine Committees of the Board, constituted in accordance with the provisions of the Act viz.,

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Risk Management Committee
5. Internal Compliant Committee
6. Grievance Redressal Committee.
7. Asset Liability Management Committee

The Board at the time of constitution of each committee fixes the terms of reference and also delegates powers from time to time. Various recommendations of the committees are submitted to the Board for approval.

Audit Committee:
The Members of Committee possess strong accounting and financial management knowledge. The Committee meets the composition requirement pursuant to the provisions of Section 177 of the Companies Act, 2013.

The Composition of Audit Committee and attendance is as mentioned below:-

Name of Members	Designation
Mr. Anshu Shrivastava	Chairman
Mr. Abhinav Sharma	Member
Mr. Manish K. Shah	Member

During the financial year 2021-22, The audit committee met 5 (Five) times during the year on 05-04-2021, 14-08-2021, 03-09-2021, 27-12-2021, 16-03-2022

Nomination and Remuneration Committee:
The Nomination and Remuneration Committee is formed in compliance with the provisions of Section 178 of the Companies Act, 2013.
The details of composition and attendance at the Nomination and Remuneration Committee.

Name of Members	Designation
Mr. Anshu Shrivastava	Chairman
Mr. Abhinav Sharma	Member
Mr. Kirit R. Shah	Member

During the financial year 2021-22, the committee held 4 (four) meetings. These were held on 05-04-2021, 03-09-2021, 27-12-2021, 21-03-2022

Corporate Social Responsibility Committee:
As per section 135 of the Companies Act, 2013 the Company had duly constituted a Corporate Social Responsibility (CSR) Committee. The functions of the Committee include review of corporate social responsibility (CSR) initiatives undertaken by the Company, formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the Company and recommendation of the amount of expenditure to be incurred on such activities, reviewing and recommending the annual CSR plan to the Board, making recommendations to the Board with respect to the CSR initiatives, monitoring the CSR activities, implementation and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by RBI or any other statutory Authority.

The details of attendance at the CSR Committee meeting are as under:

Name of Members	Designation
Mr. Anshu Shrivatava	Chairman
Mr. Abhinav Sharma	Member
Mr. Manish K. Shah	Member
Mrs. Nikita M. Shah	Member

During the financial year 2021-22, the committee held3(Three) meeting. These were held on 06-10-2021, 27-12-2021,30-03-2022

Risk Management Committee
The Risk Management Committee of the Company is formed in Compliance with the Guidelines of Reserve Bank of India on Corporate Governance.

Name of Members	Designation
Mr. Anshu Shrivatava	Chairman
Mr. Abhinav Sharma	Member
Mr. Monil M. Shah	Member

During the financial year 2021-22, the committee held 3(Three) meetings. These were held on 24-06-2021, 27-12-2021, 21-03-2022

Grievance Redressal Committee:
The Grievance Redressal Committee specifically look into the mechanism of redressal of grievances of shareholders, debentures holders and other security holders.

The composition of Grievance Redressal Committee as on March31, 2022 is as under:

Name of Members	Designation
Mr. Anshu Shrivatava	Chairman
Mr. Manish K. Shah	Member
Mr. Monil M. Shah	Member

During the financial year 2021-2022, the committee met three times on 06th October, 2021, 27th December, 2021, and17th March, 2022.

Asset Liability Management Committee

The Company had duly constituted an Asset Liability Management Committee inter-alia, to review the ALM profile, set and monitor the market risk limits including limits on liquidity, interest rate and exchange rate positions for the structural balance sheet and the trading book, decide the business strategy on asset and liability side , oversee the implementation of the Asset Liability Management (ALM) system and review its functioning periodically, consider and approve any other matter related to liquidity and market risk management.

The composition of Asset Liability Management Committee as on March 31, 2021 is as under:

Name of Members	Designation
Mr. AnshuShrivatava	Chairman
Mr. Abhinav Sharma	Member
Mr. Manish K. Shah	Member

During the financial year 2021-22, the committee held 3 (Three) meetings. These were held on 24-06-2021, 27-12-2021, 21-03-2022

Annual General Meeting:

The Annual General Meeting of the Company for FY 2020-21 was held on September 30 , 2021. It was attended by the Chairperson of Audit Committee, and by the Chairperson of the Board as required under Companies Act, 2013.

Attendance of the Members in The Board and Committee Meetings:

Type of Meeting	No of meetings held	KIRIT RATANSHI SHAH	MANISH KIRITKUMAR SHAH	NIKITA MANISH SHAH	MONIL MANISH SHAH	ANSHU SHRIVASTAVA	ABHINAV SHARMA
Board	30	30	30	30	30	4	4
Audit Commitee	5	0	5	0	0	5	5
Nomination and Remuneration	4	4	0	0	0	4	3
Corporate Social Responsibility	3	0	3	3	0	3	3
Risk Management	3	0	0	0	3	3	2
Grievance Redressal	3	0	3	0	3	3	0

ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY:

The Financial Statements of the Company has been prepared in accordance with the Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

SECRETARIAL STANDARDS:

The Company has complied with the applicable Secretarial Standards viz. SS-1 and SS-2 during the year issued by the Institute of Company Secretaries of India.

AUDITORS

I) Statutory Auditors

In accordance with the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder (the Act), ATMS & CO LLP, Chartered Accountants, [Firm Registration No. W100164] has been appointed as the Auditors of the Company for a term of three years to hold office from the conclusion of 25th Annual General Meeting Annual General Meeting (held in the calendar year 2021) till the conclusion of the 28th Annual General Meeting to be held in the calendar year 2024.

During the year under review, the statutory auditors have not reported any incident of fraud to the Audit Committee. Further the statutory auditors have not made any reservation or qualification in their Audit Report. The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

III) 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 has appointed M/s. Ronak Jhuthawat & Co, Practicing Company Secretaries, Udaipur to conduct the secretarial audit for the financial year ended March 31, 2022.

The Report of the Secretarial Auditor is provided as Annexure to this Report.

There are no qualifications or adverse remarks in the Secretarial Audit Report.

REGULATORY & STATUTORY COMPLIANCE:

The Company has put in place adequate systems and processes in place to ensure compliance with the applicable guidelines issued by all regulators by all regulators

COMPLIANCES OF RBI GUIDELINES:

The company continues to comply with the applicable regulations and guidelines of the Reserve Bank of India as applicable to a Non-Banking Non Deposit Taking Systemically Important Company ('NBFC-ND - SI'). The company has submitted returns with RBI on timely basis.

CHANGE IN NATURE OF BUSINESS, IF ANY:

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

MATERIAL CHANGES, IF ANY, POST FINANCIAL YEAR ENDED MARCH 31, 2022

The spread of COVID-19 has severely impacted many economies around the globe. Businesses are being forced to cease or limit operations for long or indefinite period of time, resulting in an economic slowdown and economic uncertainties. Measures have also been taken by the Government and the Reserve Bank to ease the burden on the businesses from hardship.

The impact of the COVID-19 pandemic on the financial position of the company will depend on future developments, including among other things, extent and severity of the pandemic, mitigating actions by governments and regulators, time taken for economy to recover, etc.

MATERIAL ADVERSE ORDERS, IF ANY

There are no significant and material orders passed by the Reserve Bank of India or the Ministry of Corporate Affairs or Courts or Tribunals or other Regulatory/ Statutory authorities which will have an impact on the going concern status of the Company and Company's operations in future.

MAINTENANCE OF COST RECORD

The Company is not required to maintain cost records in terms of Section 148(1) of the Companies Act, 2013.

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

There is no application made or pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, ('the Act') your Directors confirm that:

i. In the preparation of the annual accounts for financial year ended 31st March, 2022, the applicable accounting standards have been followed and there are no material departures in adoption of these standards;

ii. The Directors have 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 31st March, 2022 and of the profit of the Company for the year ended on that date.

iii. The Directors have 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.

iv. The Directors have prepared the annual accounts for financial year ended 31st March, 2022 on a 'going concern' basis.

v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating efficiently.

vi. The Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effective

ACKNOWLEDGMENT

The Board wishes to place on record their appreciation for the dedication and hard work put in by the employees of the Company at all levels and the support extended by various stakeholders of the Company. The relationships with regulatory authorities and clients remained good during the year under review. The Board is also thankful to the Reserve Bank of India and other regulatory authorities for their cooperation, guidance and support extended by them to the Company in its endeavours.

For and on behalf of the Board

Sd/-	**Sd/-**
Manish K. Shah	**Monil M. Shah**
Managing Director	**Director**
DIN: 00979854	**DIN : 07054772**

Place: Mumbai
Date: 26th July 2022

A. MANAGEMENT DISCUSSION AND ANALYSIS

FY2022 began with one of the strongest waves of the Covid-pandemic, but ended up with the normalization of business and operations. In a post-Covid world, we live with new realities and better opportunities. From adoption of better workplace policies to appreciating the benefits of some older customs. After the roller coaster ride of the last 24 months, we are currently witnessing a melting pot of opportunities that are exciting but subdued due to a cautionary outlook.

We at Manba have therefore focussed that on meaningful and sustainable growth. Our goal was deeper penetration of our existing markets to improve the productivity of the business while at the same time controlling the risk to areas that we are comfortable with. Therefore this period did not see branch expansion but consolidation of operations. Using our experience we built innovative approaches towards financing schemes, partnerships and products helped us gain and strengthen our market share in the industry. Our innovative and strategic tie-ups with OEMs, Dealers and other key stakeholders across the purchase cycle help us stand apart from other financiers.

Being true to our motto – *"Manzilon ko Raftar de"*, we have implemented various consumer centric processes that helps improve the two-wheeler purchase experience for them. Our innovative schemes and best in class service ensure that we develop long term relationships with out customers.

Two-wheeler sales in India during FY2022 shrunk by 11%. Both mopeds and motorcycle segments saw reduced numbers sold, while EV Two Wheeler market extended its foothold with a 4.6x growth over FY2021 units. High petrol prices, inflationary pressures and cost of ownership continue to be challenges in the commuter bike segment. Despite such muted industry performance, we are proud to declare that your company managed to increase its disbursements by 13% higher amounts and funded 12% more vehicles than FY2021. A testament to our better penetration in our existing markets.

We are confident, that sustained demand from rural India and better availability and afford ability of EVs will help drive momentum in the market in the months ahead. Last 5 months of FY2023 have given clear indications that FY2023 will be the year of growth for everyone involved in Two Wheelers.

Macroeconomic Outlook

The combined efforts of Government (State and Centre) with their expansionary fiscal and monetary policies and industry with their investments towards expansion have helped increase the economic activity in India. All measures adopted since the Covid-19 pandemic has helped foster an environment of growth in the country.

The Indian GDP grew by 8.7% in CY2021 and is forecasted to grow by 7.4% in CY2022. While the GDP, GDP per capita and business activity has increased, people have been cautious with their spending habits. The impact of the Ukraine war which has also led to an increase in fuel prices. This will further stoke inflationary pressures and impact household budgets. Spending patterns have changed towards experiences over assets.

Industry (Reflecting on FY2022)

Sluggish FY2022

Despite the increase in per capita income in FY2022, the spending habits have changed considerably. Also, owning a two wheeler has become more expensive overall, mainly due to increasing prices and fuel costs. This resulted in a 13% reduction in the units sold in FY2022, in equal proportion by both Scooters as well as Motorcycles. The only positive segment were EVs with a 463% increase y-o-y.

Subdued Rural Performance

Demand from rural India, the biggest buyer of fuel-efficient commuter bikes, was sluggish and in urban India, buying sentiments did not recover fully. Penetration of financing was also a another matter of concern. The premium bike segment, however, showed significantly better traction. However, in this premium segment too, the semiconductor shortage was a cause of concern.

Industry Outlook (Sneak peak into FY2023)

Cautionary Tales

The Ukraine-Russia conflict led increasing fuel prices are expected to affect buying sentiments. As one a leading dealer puts it," The footfalls keep fluctuating as the continuous fuel price hikes impact sales and only those who have a steady job and income will be able to buy a two-wheeler."

From a production perspective, supply side issues including semiconductor shortages will mean that two-wheeler OEMs will have to closely monitor an evolving situation.

Covid infection rates are currently down, but the pandemic has not been eradicated officially. Hence, the possibility of disruption of economic activity due to further waves of infections cannot be ruled out.

Clear Growth Trajectory

Despite these worrying signs, the year FY2023 began with excellent vigour. Every month in FY2023 has outperformed its counterpart in FY2022 by a minimum of 10% y-o-y. Q1FY23 was 54% higher than Q1FY22 and 11% higher than Q4FY22 in number of units sold. In just 5 years of operations, 50% of last year's sales is already achieved. We can clearly see FY2023 being the year of growth.

Operational Results

Your company recorded ₹ 107.02 Crs in income which is roughly at par with ₹ 105.87 Crs in FY2021. While this marks just a 1.09% growth in income which is encouraging when compared with general industry performance. The Net Interest Margin (NIM) of the company has improved from 11.92% inf FY2021 to 13.68% due to improvement in cost of funding. The return on total assets (ROTA) also improved from 2.11% in FY2021 to 2.25% in FY2022.

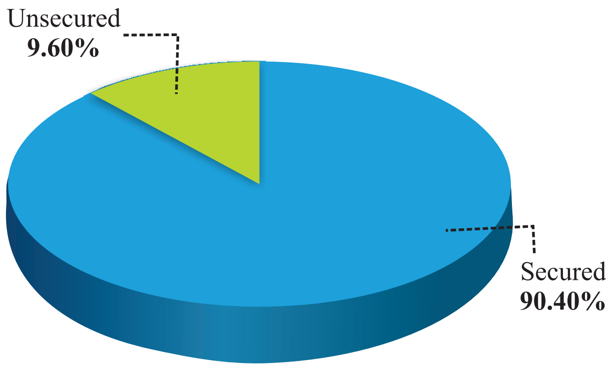
The company has seen strong backing from its lending partners and has a robust financial standing. This support is mainly due to the stable and impressive performance of the book. Your company's Networth increased to ₹ 152.43 Crs, 6.7% increase from previous year. More lenders have trusted your company with the number of lenders increasing to 21 banks, FIs and NBFCs. Overall leverage has been stable at with TOL/TNW at 2.7x (same as previous year) demonstrating strong financial stability and well managed ALM. The Credit rating has remained constant at A- with Acuite and BBB+ with Care Ratings.

In summary, your company's numbers have looks similar to FY2021, despite the downturn in the industry. While, muted in terms of financial growth, this stability in numbers is a testament to the improvements in your company's processes during such tumultuous periods. Manba has consistently surpassed industry average and despite the fall in units sold in the industry overall, your company has maintained the financial performance in FY2022.

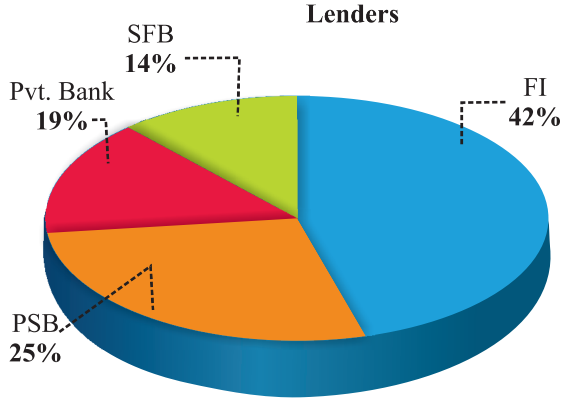
Geographical Strength

Your company now has 40+ locations of operations, allowing it to strengthen its positioning and reach in the 3 states of Maharashtra, Gujarat and Rajasthan. The market share of your company also improved considerably in the regions of Gujarat and Rajasthan, further improving the geographical spread of its lending assets.

Borrowing Profile:



Debt Profile



Lenders

Distribution of Disbursement

We have followed a cautious approach towards disbursing our lending assets and have focussed on diversifying our book in both aspects of OEMs and Geography. Gujarat has seen considerable increase in the 12 months of FY2022 thereby leading to an increase in its share:

Sr	Region	% of Disbursement	Avg. Disbursement
1	Maharashtra	79.82%	71,967
2	Gujarat	18.79%	66,085
3	Rajasthan	1.39%	65,367

Sr	Region	% of Disbursement	Avg. Disbursement
1	Honda	38.6%	68,469
2	Hero Motocorp	22.8%	64,112
3	Suzuki	18.8%	75,832
4	TVS	12.9%	69,841
5	Yamaha	2.8%	85,029
6	Bajaj Auto	2.1%	69,663
7	Vespa	0.8%	88,528
8	Royal Enfield	0.6%	1,19,568
9	Aprilla	0.4%	78,539
10	Pure EV	0.1%	68,814
11	Others*	0.1%	75,052

* Okinawa, Ampere, KTM, Komaki, Benling, Jawa, Revolt, Mahindra

Motorcycle segment have been the growth driver for Manba in FY2022 with a 22.9% growth year on year, scooters/mopeds also increased by 6.1%. We also forayed into EV funding from this year.

Sr	Vehicle Type	% of Disbursement	Avg. Disbursement	y-o-y Growth%
1	Scooters / Mopeds	52.3%	70,292	6.1%
2	Motorcycle	42.5%	68,686	22.9%
3	EVs	0.2%	71,103	New

Health & Safety

The safety and well-being of our members and customers is the priority. We have ensured every team member is vaccinated and resolves to help safety of self and others. Every team member at every location is encouraged to maintain healthy lifestyle and mental wellness. We ensure compliance with all local and central laws and guidelines issued by the authorities.

Information & Technology

The accounting system of the company is now migrated out of Tally completely to an integrated Loan Accounting System (LAS) and integrated with the Loan Management system to auto post all Line of business transactions with zero manual intervention ensuring a single point entry system.

New business rules for the origination and Straight through process with a robust end to end platform is currently helping the organization to open branches on demand with minimal infrastructure and maximum return on investments.

S.W.O.T. Analysis

Strengths	Opportunities
Strong Vintage Over 26 years of presence in the two wheeler finance industry	**Geographical Expansions** There is tremendous scope for Manba to strengthen its hold in the 3 states with better penetration. We also plan to expand our offerings to every district in these states.
Collections Strong collections with low DPD and better than industry NPA ratio	**Product Innovations** With new and innovative approaches to products and book development, we expect to strengthen the existing dealer network
Growing Funding Sources We have regularly inducted new lenders on our books. Our existing lenders have also provided regular support as and when required by the company. Our increase in credit rating also confirms the trust of lenders in the company.	**Cross Selling** We are looking to expand our offerings basket by introducing various other financial and non-financial products including MSME Loans, Dealer Finance, Inventory Funding and more..
Resourceful Promoters The promoters have historically always been resourceful and have infused funds required to foster business **Strong systems and processes** Leveraging on the MFQ platform, the company has now operationalized the entire business workflow from Loan origination to maturity on an integrated platform. The entire software platform is now future ready and can scale up on demand.	

Weaknesses	Threats
Limited Branch Network We currently have 28 branches across 4 regions in Western India. A key target for the year is to increase the branch network	**Dynamic Markets** Changing RBI and Government guidelines have made the current lending market very dynamic. **Mitigation:** While we expect the markets to stabilise, we are confident on the management's ability to adopt
Concentrated Book While the company has achieved decent diversification of book through geographies, currently Mumbai and Maharashtra contributes to ~79% of the disbursements. **Mitigation:** Fiscal 2021 already saw a good share of disbursement from outside Mumbai and Maharashtra, showing a more diversified trend	**Increasing Competition** New entrants are looking to set shop in two wheeler finance segment for its impressive profitability and book strengths. **Mitigation:** Faster market capture and early mover advantage helps Manba ensure its dominant market share in its geographies.

Risk Management

Lending is by nature a risk-taking venture. We have laid down robust processes and policies and best in class internal controls to help mitigate these risks. The Management ensures regular and periodic review of all policies and parameters, to ensure the risk is mitigated and controlled before it creates any significant impact on the business.

Your Company is exposed to various risks that are an inherent part of any financial service business. We comply with the guidelines laid down by the RBI and relevant authorities to monitor and manage our risks. From identification, assessment, measurement and mitigation practises we have ensured our policies achieve its main objective to minimize the negative impact on profitability and capital.

FOR MANBA FINANCE LIMITED

Sd/-
Manish K. Shah
Managing Director
DIN: 00979854

Form No. MR-3
Secretarial Audit Report
(For the Financial Year ended 31st March, 2022)
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Manba Finance Limited
324, Runwal Heights Commercial
Complex, L.B.S Marg, Opp. Nirmal
Lifestyle, Mulund (West) Mumbai,
City MH 400080

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to the good corporate practices by **M/s MANBA FINANCE LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period form 01st April, 2021 to 31st March, 2022, complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made there under;

2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under; **Not Applicable to the Company during the Audit Period;**

3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;

4.Foreign Exchange Management Act, 1999 and the rules and regulations made there under; **Not Applicable to the Company during the Audit Period;**

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act') to the extent applicable to the Company-
a)The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable to the Company during the Audit Period;**
b)Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable to the Company during the Audit Period;**
c)The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018–**Not Applicable to the Company during the Audit Period;**
d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable to the Company during the Audit Period;**
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- **Not Applicable to the Company during the Audit Period;**
g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not Applicable to the Company during the Audit Period;**
h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable to the Company during the Audit Period; and**
i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to the Company.

6.Manba Finance Limited is RBI registered NBFC based in Mumbai, Maharashtra. It is engaged in Two-Wheeler Financing Accordingly, the following Major Industry specific Acts and Rules are applicable to the Company, in the view of the Management:
1. Reserve Bank of India Act, 1934;

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

(I) Secretarial Standards pursuant to Section 118 (10) of the Act with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

(ii) Listing Agreement entered into by the Company with BSE Limited (for Debentures) as per SEBI (Listing Obligations and Disclosers Requirements) Regulations, 2015.

I further report that

A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non- Executive Independent Directors. No changes in the composition of the Board of Directors took place during the period under review;

B. Adequate notice was given to all the Directors to schedule the Board Meetings, agenda were sent in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting;

C. All decision at Board Meetings and Committee Meetings are carried by the majority as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes commensurate with its size and operations of the Company to monitor and ensure compliance withall applicable laws, rules, regulations and guidelines except the following:

A. The Company has received a notice from Bombay Stock Exchange for Non-compliance with Regulations 52(4) SEBI (LODR) Regulations, 2015 for Period Ended March, 2021, September, 2021 and December, 2021. The Company has made a fee waiver application to the BSE whose response of acceptance/rejection is still pending to be received from the BSE.

I further report that during the Audit Review Period, the Company has not taken any major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For Ronak Jhuthawat & Co.
(Company Secretaries)

Sd/-
Ronak Jhuthawat
Proprietor
FCS: 9738, COP: 12094
Peer Review No.: 1270/2021
UDIN: F009738D000685413

Place: Udaipur
Date: 26.07.2022

Note: This report is to be read with our letter of even date which is annexed as “ANNEXURE-1” and forms an integral part if this report.

"ANNEXURE-1"

To,
The Members
Manba Finance Limited
324, Runwal Heights Commercial
Complex, L.B.S Marg, Opp. Nirmal
Lifestyle, Mulund (West) Mumbai
City MH 400080

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

A. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.

B. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

C. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

D. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

E. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.

F. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Ronak Jhuthawat & Co.
(Company Secretaries)

Sd/-
Ronak Jhuthawat
Proprietor
FCS: 9738, CP: 12094
Peer Review No: 1270/2021
UDIN: F009738D000685413

Place: Udaipur
Date: 26.07.2022

Annexure-II
FORM NO. AOC-2

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

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

Details of contract or arrangements or transaction not at arm's length basis :

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

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

i	Name (s) of the related party and nature of relationship	Theme Infotech Private Limited Aaramabh Properties LLP Riders Auto services Private Limited
ii	Nature of contracts / arrangements / transactions	Term Loan
iii	Duration of the contracts / arrangements / transactions	Usually annual, however depends on the nature of transaction
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	Transaction at arm’s length and in ordinary course of business
v	Date (s) of approval by the Board, if an	NA
vi	Amount paid as advances, if any	NIL

FOR MANBA FINANCE LIMITED

Sd/-
Manish K. Shah
Managing Director
DIN: 00979854

ANNEXURE III

(Disclosures in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended March 31, 2022.

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the fiscal:

Sr.No	Name of Directors	Ratio
1.	Manish K. Shah	185.19
2.	Nikita M. Shah	63.66
3.	Monil M. Shah	72.22

(ii)The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year

Sr.No	Name of Directors	% increase in remuneration
1.	Jay K. Mota	10.00%
2.	Bhavisha Jain	8.55%

(iv) The percentage increase in the median remuneration of employees in the fiscal – 1.69%

(v) The number of permanent employees on the rolls of Company – 903 Employees as on March 31, 2022.

(vi) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last fiscal and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration : Average remuneration increase for Non-managerial personnel of the company during the financial year was 1.31% and the average remuneration increase for the said managerial personnel of the company was 9.27%.

(vii) Affirmation that the remuneration is as per the remuneration policy of the Company: The remuneration is as per the Remuneration Policy of the Company.

FOR MANBA FINANCE LIMITED

Sd/-
Manish K. Shah
Managing Director
DIN: 00979854

ANNEXURE IV
ANNEXURE I TO DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2022

Annual Report on Corporate Social Responsibility Activities as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs :

CSR POLICY

CSR Policy
At Manba Finance Limited (MFL or 'the Company') we sincerely believe that the actions of the organization and its community are highly inter-dependent. Both on its own and as part of the MFL Group, through constant and collaborative interactions with our external stakeholders, MFL strives to become an asset in the communities where it operates. As part of our Corporate Social Responsibility (CSR), we actively implement projects and initiatives for the betterment of society, communities and the environment.
The Company has already constituted a Corporate Social Responsibility Committee on 29th January, 2016 and has aligned its CSR Policy in accordance with the Companies Act, 2013 ('the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 to make it compliant with the provisions of the Act and the Rules and to undertake the admissible CSR activities notified by the Ministry of Corporate Affairs in Schedule VII to the Act.

The CSR Policy and details of the projects undertaken by the Company are available at the link www.manbafinance.com

2. The Composition of the CSR Committee:

S. No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Anshu Shrivastava	Chairperson	3	3
2.	Manish K. Shah	Member	3	3
3.	Nikita M. Shah	Member	3	3
4.	Abhinav Sharma	Member	3	3

3. Weblink for the CSR committee , CSR policy and CSR Projects :www.manbafinance.com
4. Impact assessment of CSR Projects : Not Applicable
5. Details of the amount available for set off and amount required for set off for the financial year , if any:

S. No.	Financial Year	Amount available for set off from preceding financial years (in Rs.)	Amount required to be set off from preceding financial years (in Rs.)
NIL			

6. Average net profit of the Company for last three financial years: Rs.1463.86 lakhs
7. a. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : ₹ 29.17 lakhs
   b. Surplus arising out of the CSR projects or program or activities of the previous financial year: Nil
   c. Amount required to be set off from preceding financial year, if any: Nil
   d. Total CSR obligation for the financial year (7a+7b+7c): ₹ 29.17 lakhs
8. Details of CSR spent during the financial year.
   a. Total amount spent for the financial year: ₹ 30.00 Lakhs
   b. Amount unspent, if any: NIL
   c. Manner in which the amount spent during the financial year is detailed below:

Total amount spent for the financial year(in ₹)	Amount unspent				
	Total Amount transferred to unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
₹ 30,00,000/-	NIL		NIL		

S. No.	CSR Project or Activity identified	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the projects (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - (Through implementing agency)	
				State	District			Name	CSR Registration No.
1	Education	Item no (ii): Promoting education, employment enhancing vocation skills and livelihood enhancement projects	Yes	Maharashtra, Rajasthan, Karnataka, Delhi	Delhi, Jaipur, Banglore,	30,00,000/-	Yes	NA	

d. Amount spent in Administrative Overheads: Nil
e. Amount spent on Impact Assessment, if applicable: Nil
f. Total amount spent for the fiscal 2021: ₹ 30.00 lakhs
g. Excess amount for set off, if any: Nil

S. No.	Particulars	Amount (in ` lakhs)
I	Two percent of average net profit of the company as per section 135(5)	29.28
ii	Total amount spent for the Financial Year	30.00
iii	Excess amount spent for the financial year [(ii)-(i)]	0.72
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. a. Details of Unspent CSR amount for the preceding three financial years: Nil
   b. Details of CSR amount spent in the financial year for ongoing projects of the preceding fiscal(s): Nil
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).
   a. Date of creation or acquisition of the capital asset(s): NA
   b. Amount of CSR spent for creation or acquisition of capital asset: NA
   c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA
   d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

For Manba Finance Limited

Sd/-
Anshu Shrivastava
Chairman CSR Committee
DIN : 06594455

Sd/-
Nikita M. Shah
Director
DIN:00171306

Independent Auditor's Report on the Standalone Financial Statements

To the Members of Manba Finance Limited.

Opinion

We have audited the accompanying standalone financial statements of Manba Finance Ltd. (the 'Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'standalone financial statements').

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

Basis for opinion

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

Emphasis of matter

We draw attention to note no. 43 (B) (i) and note no. 47 to the standalone financial statements in which the Company describes the continuing uncertainties arising from the COVID-19 pandemic. Our opinion is not modified in respect of this matter.

Key audit matters

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

Allowances for expected credit losses ('ECL'): As at 31 March 2022, the carrying value of loan assets measured at amortised cost, aggregated Rs. 489.08 crore constituting approximately 86.67% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. As part of our risk assessment, we determined that the ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the standalone financial statements..

The elements of estimating ECL which involved increased level of audit focus are the following:

• Qualitative and quantitative factors used in staging the loan assets measured at amortised cost;
• Basis used for estimating probabilities of default ('PD'), loss given default ('LGD') and exposure at default ('EAD') at product level with past trends;
• Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and
• Adjustments to model driven ECL results to address emerging trends. (Refer note no. 2.4.iii, 3.6 and 43 (i) to the standalone financial statements)

Information technology and general controls: The Company is dependent on its information technology ('IT') systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environment. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a key audit matter.

Management's responsibility for the standalone financial statements

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

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

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

Auditor's responsibility for the audit of the standalone financial statements

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

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

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

• Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

• Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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

Report on other legal and regulatory requirements

1. . As required by section 143(3) of the Act, based on our audit on the separate financial statements, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

(e) On the basis of the written representations received from the Directors as on 31 March 2022 taken on record by the Board of Directors, none of the Directors are disqualified as on 31 March 2022 from being appointed as a Director in terms of section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
ii. The company has not made any long-term contracts including derivative contracts.
iii. There has been no account required to prepared in relation to Investor Education and Protection Fund by the company.
iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

2. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government in terms of section 143(11) of the Act, we give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

Annexure A to Independent Auditors' Report

[Referred to in paragraph 1(f) under 'Report on other legal and regulatory requirements' section of our report of even date]

Report on the internal financial controls with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the 'Act')

We have audited the internal financial controls with reference to financial statements of Manba Finance Ltd. (the 'Company') as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 misstatement of the financial statements, whether due to fraud or error.

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 unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2022, based on the criteria for internal financial controls with reference to financial statements established by the respective Company considering the essential components of internal control stated in the Guidance Note.

Annexure B to Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Manba Finance Ltd. on the standalone financial statements as at and for the year ended 31 March 2022)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

(b) The property, plant and equipment, were physically verified during the year by the Management, in accordance with a regular program of verification which in our opinion, provides for physical Verification of all the property, plant and equipment at reasonable intervals. No material discrepancies were noticed on such verification.

(c)Based on our examination of the documents provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial Statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year. Accordingly, paragraph 3(i)(d), of the Order is not applicable.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company is engaged primarily in lending activities and consequently does not hold any physical inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, by banks or financial institutions on the basis of security of loans (Two wheeler) during the year.

(iii) As explained in note no. 1 to the financial statements, the Company is a Non-Deposit-taking Non-Banking Financial Company ('NBFC') registered with the Reserve Bank of India ('RBI') and as a part of its business activities is engaged in the business of lending across various types of loans.

During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee/security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees/security and loans and advances:

(a)The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company as its principal business is to give loans;

(b)In our opinion, having regard to the nature of the Company's business, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest;

(c)In respect of loans and advances in the nature of loans (together referred to as 'loan assets'), the schedule of repayment of principal and payment of interest has been stipulated. Note no. 40 to the standalone financial statements explains the Company's accounting policy relating to impairment of financial assets which include loan assets. In accordance with that policy, loan assets with balance as at 31 March 2022, aggregating Rs. 24.50 crore were categorized as credit impaired ('Stage 3') and Rs. 31.63 crore were categorized as those where the credit risk has increased significantly since initial recognition ('Stage 2'). Disclosures in respect of such loans have been provided in note no. 40 to the standalone financial statements. Additionally, out of loans and advances in the nature of loans with balances as at the year end aggregating Rs. 432.95 crore, where credit risk has not significantly increased since initial recognition (categorised as 'Stage 1'). Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d)The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is Rs. 24.50 crore. Reasonable steps are being taken by the Company for recovery of the principal and interest.

(e)The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.

(f)The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

(iv) The Company has not advanced loans or made investments in or provided guaranty or security to parties covered by section 185 and section 186 is not applicable to the Company. Hence reporting under paragraph 3(iv) of the Order is not applicable.

(v) In our opinion and according to the information and explanations given to us, the Company being NBFC registered with RBI, provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

(vi)The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company. Hence reporting under paragraph 3 (vi) of the Order is not applicable.

(vii) In respect of statutory dues:
(a)The Company has generally been regular in depositing undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, cess and other material statutory dues applicable to it, to the appropriate authorities. As explained to us, the Company does not have any dues on account of sales tax, service tax, duty of customs, duty of excise and value added tax.
There were no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues in arrears as of 31 March 2022, for a period of more than six months from the date they became payable.
(b)There are no such amount required to be deposited with referred to in sub- paragraph (a) with the concerned authorities as on 31 March 2022, on account of dispute.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)(a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
(c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.
(d)On the basis of the maturity profile of financial assets and financial liabilities provided in the note no. 43(c) to the standalone financial statements, financial liabilities maturing within the 12 months following the reporting date (i.e. 31 March 2022) are less than expected recoveries from financial assets during that period. Further, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.

(X)(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.
(b) The Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year under review and hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
(b)No report under section 143(12) of the Companies Act, 2013, has been filed in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
(c)As per provisions of the Companies Act, 2013, certain companies have establish Whistle-blowing mechanism to report any unethical behavior or other concerns to the management the company has complied with the same.

(xii)The Company is not a Nidhi company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii)In our opinion, the Company is in compliance with section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements, etc., as required by the applicable standards.

(xiv)(a) As per the provisions of companies, there was an obligation on the company to conduct internal audit, the company had complied with the same.
(b) We have considered, the internal audit reports for the year under audit, and found that there were no such major discrepancies reported by internal auditor.

(xv)In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)(a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ('RBI Act') and it has obtained the registration.

(b) The Company has conducted the non-banking financial activities with a valid Certificate of Registration ('CoR') from the RBI as per the RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.
(c)The Company is not a Core Investment Company ('CIC') and hence reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.
(d)The Group (as defined under Master Direction DNBR.PD.008/03.10.119/2016-17 - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016) has more than one CIC as part of the group. There are Zero CIC forming part of the Group, thus this order is not applicable

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) Resignation of the statutory auditors during the year are not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year.
(b) In respect of ongoing projects, the Company has no unspent CSR amount as at the balance sheet date out of the amounts that was required to be spent during the year, to a special account till the date of our report. However, the time period for such transfer i.e. 30 days from the end of the financial year as permitted under section 135(6) of the Act, has not elapsed till the date of our report.

(xxi)In respect of any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, company not have any subsidiary, thus this Order is not applicable

For M/s ATMS & Co LLP
Chartered Accountants
Firm registration number - W100164

Sd/-
SUHAS S SHINDE
(Partner)
M.No 117107

Place : Thane
Date : 23rd July, 2022
UDIN: 22117107ANNKIL9557

MANBA FINANCE LIMITED
(CIN - U65923MH1996PLC099938)
Balance Sheet as at 31st March, 2022

(₹ in lakhs)

Particulars	Note No	31st March, 2022	31st March, 2021	1st April 2020
I. EQUITY AND LIABILITIES				
Financial Assets				
Cash and cash equivalents	6	3,198.39	453.93	519.92
Bank balance other than cash and cash equivalents	7	1,805.57	921.53	560.96
Loans	8	48,267.35	47,779.59	45,154.77
Investments	9	8.04	5.00	5.00
Other financial assets	10	1,080.45	1,535.38	5,408.14
		54,359.80	**50,695.43**	**51,648.79**
Non- financial Assets				
Current tax assets (net)	11	287.36	124.50	132.63
Deferred tax assets (net)	12	202.25	161.37	86.12
Property, plant and equipment	13	1,131.97	1,217.69	1,291.63
Other intangible assets	14	53.79	103.05	86.74
Right of use of assets	15	92.80	261.30	378.14
Other non-financial assets	16	304.12	230.49	178.06
		2,072.29	**2,098.40**	**2,153.32**
Total assets		**56,432.09**	**52,793.83**	**53,802.11**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Trade payables				
- total outstanding dues of micro enterprises and small enterprises				
- total outstanding dues of creditors other than micro enterprises and small enterprises	17	1,439.24	401.69	440.13
Debt securities	18	1,499.92	3,833.33	2,200.00
Borrowings (other than debt securities)	19	37,939.81	33,744.91	37,130.74
Lease liabilities	20	104.42	281.14	383.18
Other financial liabilities	21	59.02	126.93	150.11
		41,042.41	**38,388.00**	**40,304.16**
Non-financial liabilities				
Provisions	22	88.56	59.68	24.55
Other non-financial liabilities	23	58.17	53.30	103.23
		146.73	**112.98**	**127.78**
EQUITY				
Equity share capital	24	1,255.65	1,255.65	1,255.65
Other Equity	25	13,987.30	13,037.20	12,114.27
		15,242.95	**14,292.85**	**13,369.92**
Total liabilities and equity		**56,432.09**	**52,793.83**	**53,802.11**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For M/s ATMS & Co LLP
Chartered Accountants
Firm registration number - W100164

For and on behalf of the Board of
Manba Finance Limited

Sd/-
SUHAS S SHINDE
(Partner)
M.No 117107

Sd/-
MANISH K. SHAH
(MANAGING DIRECTOR)
DIN -00979854

Sd/-
MONIL M. SHAH
(DIRECTOR)
DIN -07054772

Place : Mumbai
Date : 23/07/2022

Sd/-
JAY K. MOTA
(CHIEF FINANCIAL OFFICER)

Sd/-
BHAVISHA A. JAIN
(COMPANY SECRETARY)

MANBA FINANCE LIMITED
(CIN - U65923MH1996PLC099938)
Statement of Profit and Loss for the year ended 31st March, 2022 **(₹ in lakhs)**

Particulars	Note No	31st March, 2022	31st March, 2021
Revenue from operations			
Interest income	26	9,397.99	9,631.95
Other operating income	27	1,066.58	813.59
Total revenue from operations		**10,464.57**	**10,445.54**
Other income	28	237.87	142.20
Total income		**10,702.44**	**10,587.74**
Expenses			
Finance costs	29	4,658.59	5,104.57
Impairment on financial instruments	30	282.22	245.51
Employee benefit expense	31	2,287.14	1,892.59
Depreciation, amortization and impairment	32	379.24	362.81
Other expenses	33	1,892.95	1,776.00
Total expenses		**9,500.14**	**9,381.48**
Profit before taxes		1,202.30	1,206.26
Tax expenses			
- Current tax	12	302.60	379.90
- Deferred tax	12	(43.27)	(80.62)
		259.33	299.28
Profit for the year		**942.97**	**906.98**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Re-measurement gains / (losses) on defined benefit plans		6.47	21.34
(ii) Income tax impact		(1.63)	(5.37)
(iii) Gain on fair value of equity instruments		3.04	-
(iv) Income tax impact		(0.77)	-
Other comprehensive income for the year		**7.11**	**15.97**
Total comprehensive income for the year (comprising profit and other comprehensive income for the year)		**950.08**	**922.95**
Earnings per equity shares (face value - ₹ 10 per equity share)			
Basic	34	7.51	7.22
Diluted	34	7.51	7.22

The accompanying notes are an integral part of the financial statements

As per our report of even date

For M/s ATMS & Co LLP
Chartered Accountants
Firm registration number - W100164

For and on behalf of the Board of
Manba Finance Limited

Sd/-
SUHAS S SHINDE
(Partner)
M.No 117107

Sd/-
MANISH K. SHAH
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Place : Mumbai
Date : 23/07/2022

Sd/-
JAY K. MOTA
(CHIEF FINANCIAL OFFICER)

Sd/-
BHAVISHA A. JAIN
(COMPANY SECRETARY)

MANBA FINANCE LIMITED
(CIN - U65923MH1996PLC099938)
Statement of Audited Cashflow Statement for the year ended March 31, 2022

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
	(Audited)	(Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extraordinary items	1,202.31	1,206.25
Adjustments for:		
(+)Depreciation	203.31	187.88
(+) Gratuity Provision	35.34	56.47
(+)Interest paid to Banks and Financial Institutions	4,658.59	5,104.57
(-)Profit on sale of fixed assets	-	(0.99)
(-)Other Income	-	-
(-) Profit on sale of investment	-	(9.89)
(-) Profit on valuation of investment	3.04	-
Subtotal	**6,102.59**	**6,544.29**
(-)Dividend Received	-	-
(-)Income Tax Paid	302.60	379.90
Operating Profit before Working Capital Changes	**5,799.99**	**6,164.39**
(Increase)/Decrease in Current Assets	386.98	3,945.28
(Increase)/(Decrease) in Current Liabilities & Trade Payables	797.76	(213.83)
(Increase) /Decrease in Loans given	(487.76)	(2,624.83)
Net Cash Flow from Operating activities	**6,496.97**	**7,271.01**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Asset	(69.82)	(132.10)
Sale of fixed assets	1.53	2.84
Purchase of Investments	(3.04)	(640.30)
Sales of Investments	-	650.19
Other Income	-	-
Net Cash used in investing activities	**(71.33)**	**(119.37)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid to Banks and Financial Institutions	(4,658.59)	(5,104.57)
Proceeds from issue of shares	-	-
Proceeds from/(repayment of) Borrowing	1,861.48	(1,752.49)
Loans and Advances Given	-	-
Net Cash from Financing Activities	**(2,797.11)**	**(6,857.06)**
Net increase/ (Decrease) in cash and cash equivalents (A+B+C)	**3,628.53**	**294.58**
Cash and cash equivalents at the beginning of the year	1,375.43	1,080.88
Cash and cash equivalents at the close of the year	5,003.96	1,375.46

For M/s ATMS & Co LLP
Chartered Accountants
Firm registration number - W100164

Sd/-
SUHAS S SHINDE
(Partner)
M.No 117107

For and on behalf of the Board of
Manba Finance Limited

Sd/-
MANISH K. SHAH
(MANAGING DIRECTOR)
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DIN -07054772

Sd/-
JAY K. MOTA
(CHIEF FINANCIAL OFFICER)

Sd/-
BHAVISHA A. JAIN
(COMPANY SECRETARY)

Place : Mumbai
Date : 23/07/2022

Notes Forming Part of Financial Statements
For the year ended 31 March 2022

1 Corporate Information

The Company is a registered non-banking finance company engaged in the business of providing finance. The Company is registered with the Reserve Bank of India as a Non-Banking Finance Company (NBFC) with effect from 07-04-1998, with Registration No. 13.00610. The Company primarily deals in the financing of two-wheelers, personal loan. The Company is a systemically important NBFC as per Reserve Bank of India . The Company is having its head office at Mumbai and currently having 28 branches as on 31st March 2022. The financial statements of the Company for the year ended March 31, 2022 were approved for issue in accordance with the resolution of the Board of Directors on 23rd July,2022

2 Basis of Preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

The financial statements for the year ended March 31, 2022 of the Company is the first financial statements prepared in compliance with Ind AS. The date of transition to Ind AS is April 1, 2020. The financial statements upto the year ended March 31, 2021, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") and other relevant provisions of the Act. The figures for the year ended March 31, 2021 have now been restated under Ind AS to provide comparability.

2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period. Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

2.3 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹) which is the currency of the primary economic environment in which the Company operates (the 'functional currency).

2.4 Use of estimates, judgements and assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Following are the areas that involved a higher degree of estimates and judgement or complexity in determining the carrying amount of some assets and liabilities.

i) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a 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 valuation techniques 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

ii) Effective interest rate ('EIR') method

The Company's EIR methodology, as explained in Note 3.1(A), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument

iii) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.
b) Development of ECL models, including the various formulas and the choice of inputs.
c) Determination of associations between macroeconomic scenarios and economic inputs as gross domestic products,
and the effect on probability of default (PD), exposure at default ("EAD) and loss given default ('LGD').
d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models

iv) Provisions and other contingent liabilities
The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations.
When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.
Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

These estimates and judgements 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. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

2.5 Presentation of the 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 of Ind AS 7 "Statement of Cash Flows". 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 accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

3.1 Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

A. Interest and dividend income
Interest income for all financial instruments except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL) are recognised in 'Interest income' in the profit or loss account using the effective interest method (EIR). Effective Interest Rate (EIR) wherever applicable in case of a financial asset is computed as the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. It is computed by considering all contractual terms of the financial instrument in estimating the cash flows. The cash flows are estimated Including all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition. Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL. Interest Income on credit impaired assets are treated to accrue only upon realisation, due to uncertainty involved in its realisation and are accounted accordingly.
Income on NPA where interest/ principal has become overdue for more than 3 months is recognized as and when received and appropriated. Any such income recognized before the assets become non performing and remaining unrealized is reversed
Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists

B. Fee and commission income
Fee and commission income and expense include fees other than those that are an integral part of EIR. Processing fees not considered in EIR,NACH charges, Processing Fees , Documentation fees , service income, bounce charges, penal charges and foreclosure charges, etc. are recognised on point in time basis
Further, Disbursement income deferred over loan period

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

D. Other operational revenue
Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.2 Financial instrument - initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instrument

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss

3.3 Financial assets and liabilities

A) Financial assets

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking worst case' or stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Solely payments of principal and interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial to identify whether they meet SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set. In contrast, contractual terms that introduce a more than de-minimise exposure to risks or volatility in the contractual cash flows that are unrelated to a basic tending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows

i) Financial assets carried at amortised cost ('AC`)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets measured at FVOCI

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets measured at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL.

B) Financial liabilities

I) Initial recognition and measurement Financial liabilities are classified and measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition.

ii) Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. The EIR amortization is included as finance costs in the statement of profit and loss.

3.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in the year ended 31 March 2022 and 31 March 2021.

3.5 Derecognition of financial assets and liabilities
i) Financial assets
A. Derecognition of financial assets due to substantial modification of terms and conditions
The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes

B. Derecognition of financial assets other than due to substantial modification
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.
On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.
ii) Financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

3.6 Impairment of financial assets
A. Overview of ECL principles
In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at FVTPL. Expected credit losses are measured through a loss allowance at an amount equal to:
i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial Instrument that are possible within 12 months after the reporting date); or

ii) Full lifetime expected credit losses ('LTECL') (expected credit losses that result from all possible default events over the life of the financial instrument)
Both LTECLs and 12 months ECLs are calculated on collective basis
Based on the above, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:
Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. Stage 2 loans also includes facilities where the credit risk has improved and the loan has been reclassified from stage 3.

Stage 3: Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

B. Calculation of ECLs
The mechanics of ECL calculations are outlined below and the key elements are, as follows:
PD: Probability of Default ('PD') is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. For investments and balances with banks, the Company uses external ratings for determining the PD of respective instruments.

EAD: Exposure at Default ('EAD') is an estimate of the amount outstanding when the borrower defaults.lt is the total amount of an asset the entity is exposed to at the time of default. It is defined based on characteristics of the asset.

LGD: Loss Given Default ('LGD') is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the tender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans. At every reporting date, the above calculated PD, EAD and LGD are reviewed and changes in the forward looking estimates are analysed. The mechanics of the ECL method are summarised below:

Stage 1: The 12 months ECL is calculated as the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECL. The mechanics are similar to those explained above, but PD and LGD are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%.

3.7 Write-offs
Financial assets are written off when there are no prospects of recovery which are subject to management decision. 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 recoveries made from written off assets are netted off against the amount of financial assets written off during the year under Bad debts and write offs forming part of Impairment on financial instruments in Statement of profit and loss.

3.8 Determination of fair value
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

3.9 I) Recognition of other expense
A. Borrowing costs
Borrowing costs are the interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.
All other borrowing costs are charged to the statement of profit and loss for the period for which they are incurred.

3.10 Cash and cash equivalent
Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.11 Property, plant and equipment
Property, plant and equipment ('PPE') are carried at cost, less accumulated depreciation and impairment losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the enterprise and the cost of the item can be measured reliably.
Depreciation is calculated using the straight line method to write down the cost of property and equipment to their residual values over their estimated useful lives as specified under schedule II of the Act. Land is not depreciated.
The estimated useful lives are, as follows:
I) Building - 60 years
ii) Office equipment - 5 years
iii) Computers - 3 years
iv) Furniture and electrical fittings - 10 years
v) Vehicles - 8 years
vi) Printers - 5 years
vii) Server - 6 years
viii) Generator-10 years
ix) Plant and Machinery -15 Years
Depreciation is provided on a pro-rata basis from the date on which such asset is ready for its intended use.
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

3.12 Intangible assets
The Company's intangible assets include the value of software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losse.
Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the statement of profit and loss.

3.13 Impairment of non financial assets - property, plant and equipments and intangible assets.
The carrying values of assets / cash generating units at the each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and if the carrying amount of these assets exceeds their recoverable amount, impairment loss is recognised in the statement of profit and loss as an expense, for such excess amount. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss.

3.14 Leases
The Company as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, Less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation /impairment losses.

The right-of-use assets are depreciated from the date of commencement of the lease on a straightline basis over the shorter of the lease term and the useful life of the underlying asset. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis: Low value leases; and

Leases which are short-term.

3.15 Defined benefit plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / retirement. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

As per Ind AS 19, the service cost and the net interest cost are charged to the statement of profit and loss. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.16 Provisions, contingent liabilities and contingent assets

A. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

B. Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

C. Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised not disclosed in the financial statements.

3.17 Taxes

A. Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or toss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or equity.

B. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

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

A deferred tax asset is recognised for the carry forward of unused tax losses and accumulated depreciation to the extent that it is probable that future taxable profit will be available against which the unused tax losses and accumulated depreciation can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or toss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or equity.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

C. Goods and services tax paid on acquisition of assets or on incurring expenses
Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or availing of services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

3.18 Earnings per share
Basic earnings per share (EPS) is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) by the weighted average number of equity shares outstanding during the year.
Diluted EPS is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) as adjusted for after-tax amount of dividends and interest recognised in the period in respect of the dilutive potential ordinary shares and is adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares, by the weighted average number of equity shares considered for deriving basic earnings per share as increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.
Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits, right issue and bonus shares, as appropriate.

3.19 Dividends on ordinary shares
The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when the it is approved by the Board of Directors of the Company. A corresponding amount is recognised directly in equity.
Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.
Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.
Cash flows are reported using the indirect method as prescribed under Ind AS 7, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

4.Standards (including amendments) issued but not yet effective
Ministry of Corporate Affairs ("MCA") has not notified any new or amendments in existing Ind AS which would be applicable with effect from April 1, 2021, other relavent notification , disclosure issued where applicable disclosed correctly

5. First time adoption of Ind AS
These financial statements are the first set of Ind AS financial statements prepared by the Company. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on 31 March 2021, together with the comparative year data as at and for the year ended 31 March 2020, as described in the significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2020, being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2020 and the financial statements as at and for the year ended 31 March 2021. The exemptions availed by the Company are as follow

(i) The Company has adopted the carrying value determined in accordance with Previous GAAP for all of its property plant and equipment and intangible assets as deemed cost of such assets at the transition date.
(ii) The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2020.
(iii) The estimates as at April 1, 2020 and at March 31, 2021 are consistent with those made for the same dates in accordance with the Previous GAAP
(iv) The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.
Further, as permitted by Ind AS 101, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition.

(v) Reconciliations
The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:
(a) Reconciliation of Equity as at 1 April 2020 and as at 31 March 2021
(b) Reconciliation of Total Comprehensive Income for the year ended 31 March 2021

The presentation requirements under previous GAAP differs from Ind AS, and hence, previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP/ Indian GAAP information is derived from the Financial Statements of the Company prepared in accordance with previous GAAP.

(a) Reconciliation of total equity as at 31 March 2021 and 1 April 2020

Particulars	31st March, 2021	1st April, 2020
Equity share capital	1255.65	1255.65
Reverse ans surplus	13479.32	12342.07
Shareholder's equity as per Indian GAPP audited financial statements	14734.96	13597.72
Ind AS adjustments		
- Impact on recognition of loans at amortise cost	(282.21)	(75.91)
- Impact on recognition of borowings at amortised cost using EIR	80.40	87.05
- EIR impact of security deposit	(45.94)	(53.00)
- Lease accounting impact	(19.84)	(5.05)
- Expected credit loss on laons	(282.10)	(290.34)
- Deferred tax impact on above	107.61	109.44
Total Ind AS adjustments	(442.10)	(227.80)
Shareholders equity as per Ind AS	14,292.85	13,369.92

(b) Reconciliation of total comprehensive income for the year ended 31 March 2021

Particulars	Year ended 31st March 2021
Net profit after tax as per previous GAAP	1137.25
Adjustment	
- Impact on recognition of loan at amortised cost	(266.86)
- EIR impact of borrowings measured at amortised cost	(6.66)
- EIR impact of security deposits	9.02
- Lease accounting impact	(16.76)
- Expected credit loss on loans	8.23
- Re-measurement gain on defined benefits plans reclassified to OCI	(21.34)
- Investment measured at FVOCI	-
- Deferred tax impact on Ind As adjustments	64.11
Net profit after tax as per Ind AS	906.98
Other comprehensive income/ loss (net of tax)	15.97
Total comprehensive income (after tax) as reported under Ind AS	922.95

(C)Notes to first-time adoption

(i) Interest income and expense measured using effective interest method

Under Previous GAAP, origination fees and transaction costs charged to customers was recognised upfront. Under Ind AS, such fees and costs are amortised over the expected life of the loan assets and recognised as interest income.

(ii) Fair Valuation of Investments

Under Indian GAAP, investments that are acquired with the intention of holding them for not more than one year from the date on which such investments are made, are considered as current investment. Investments acquired with the intention of holding for more than one year from the date on which such investments are made are classified as long-term investments. The securities held as securities for trade is carried at cost. Long term investments are carried at acquisition cost after providing for diminution in value, if such diminution is other than of a temporary nature. As per Ind AS, all financial assets have to be classified at 'amortised cost', 'fair value through other comprehensive income' or 'fair value through profit and loss'. These classifications are based on the business model test and the contractual cash flow test. Under Indian GAAP, unrealized gains were not accounted in the books. Under Ind AS, unrealized gains have been accounted in the statement of profit and loss.

(iii) Security deposit

The above transition has resulted a decrease in retained earnings in 1 April 2020 and 31 March 2021 of INR 53.00 Lakhs and INR 45.94 Lakhs respectively .

(iv) Operating Lease capitalised as per Ind AS 116 Initial recognition and measurement:

Lessees are required to initially recognize a lease liability for the obligation to make lease payments and a right-to use asset for the right to use the underlying asset for the lease term.

The lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The right-to use asset is initially measured at cost. The cost shall comprise of the amount of the lease liability and adjusted for lease prepayments, lease incentives received, the lessee's initial direct costs and an estimate of the restoration, removal and dismantling costs.

Subsequent measurement:
A lessee measure the right of use asset applying a cost model. A lessee shall measure the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments; and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.
Accordingly company has recognised right to use assets and lease liability using modified retrospective approach. The above transition has impacted a decrease in retained earnings/net profit in 31 March 2021 of INR 19.84 lacs.

(v) Expected credit loss on loans
Under Indian GAAP, the Company recognized impairment on loans based on the incurred basis. Under Ind AS, the Company recognizes lifetime expected credit loss for loans. The above transition has impacted a decrease in retained earnings in 1 April 2020 and 31 March 2021 of INR 290.34 and INR 282.10 respectively and an decerease in the net profit for the year ended March 2022 of INR 282.22

(vi) Employee Stock Option Plan
No ESOP option gratned as of now

(vii) Impact on derecognition of loan
Under Previous GAAP, financial assets were derecognized if the control criteria is met in accordance with relevant RBI guidelines. Under Ind AS, financial assets are derecogmsed only when the Company transfers substantially alt the risks and rewards related to the cash flows.

(viii)Re-measurement impact on defined benefit plans
Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, actuarial gains and losses, are recognised in other comprehensive income.

(ix) Deferred Tax
The transitional Ind AS adjustments has led to temporary differences in the tax and accordingly deferred tax impact on these adjustments has been accounted.

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Note 6 - Cash and Cash Equivalents

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Cash on hand	678.91	234.18	156.36
Balances with banks			
- current accounts	2,519.48	219.75	363.56
	3,198.39	**453.93**	**519.92**

Note 7 - Bank Balances other than Cash and Cash Equivalents

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Fixed deposit (including accrued interest)	1,805.57	921.53	560.96
	1,805.57	**921.53**	**560.96**

Note 8 - Loans

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Loan measures of amortised cost			
Gross term loans	48,908.33	48,435.75	45759.75
Less - Impairment loss allowance	(640.98)	(656.16)	(604.98)
Net term loans	**48,267.35**	**47,779.59**	**45,154.77**

Note 9 - Investments

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Investments in equity instruments			
(measured at cost) (unquoted)			
Progressive bank (50,000 equity shares of ₹ 10 each)	8.04	5.00	5.00
	8.04	**5.00**	**5.00**

Note 10 - Other financial assets

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Security deposits	98.54	113.73	100.16
Advances to employees	12.87	17.47	7.34
Others	969.04	1,404.18	5300.64
	1,080.45	**1,535.38**	**5,408.14**

Note 11 - Current tax assets (net)

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Advance Income Tax (Net of Provision for Tax)	287.36	124.50	132.63
	287.36	**124.50**	**132.63**

Note 12 - Deferred tax assets (net)

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
(A) Deferred tax relates to the following -			
Deferred tax assets			
- On expected credit loss provision on loans	161.32	165.14	152.26
- On Unamortised income	169.70	94.92	25.53
- On gratuity	22.29	15.02	6.18
- On Account of Lease Ind As 116	0.79	16.56	14.61
Total deferred tax assets (A)	**354.11**	**291.64**	**198.58**

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(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
(B) Deferred Tax Liabilities			
- On difference between written down value of property, plant and equipment as per book of accounts and as per income tax	57.71	64.96	65.59
- On Impact on recognition of borrowings at amortised cost using EIR	24.25	20.23	20.60
- On Interest income on non performing assets	69.14	45.08	26.27
- On Gain on fair value of equity instruments	0.77	-	-
Total deferred tax Liabilities (B)	**151.86**	**130.28**	**112.46**
Deferred tax assets / (Liabliity), (net) (A-B)	**202.25**	**161.37**	**86.12**

(B) Reconcilition of deferred tax assets / (Liabilites) (net)

(₹ in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening balance	161.37	86.12
Deferred tax assets / (Liabliites) Recognised in statement of profit and loss	43.27	80.62
Deferred tax assets / (Liabliites) Recognised in OCI	(2.39)	(5.37)
Closing balance	**202.25**	**161.37**

(C) Income tax expenses recognised in profit and loss

(₹ in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
- Current tax	302.60	379.90
- Prior period income tax	-	-
- Deferred tax charge / (income)	(43.27)	(80.62)
	259.32	**299.28**

(D) Income tax expenses recognised in other comprehensive income

(₹ in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Net loss / (gain) on remeasurements of defind benefit plans	1.63	5.37
Net loss / (gain) on Fair Valuation of Equity	0.77	-
	2.4	**5.37**

(E) Major components of tax expenses / (income)

(₹ in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Statement of profit and loss		
(a) Profit & loss section	-	-
(i) Current tax	302.60	379.90
Current tax expenses for the year		
Tax expenses for the earlier years		
	302.60	**379.90**

(ii) Deferred tax

(₹ in lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Tax expense on origination and reversal of temporary differences	43.27	80.62
	(43.27)	(80.62)
Income tax expenses reported in the statement of profit and loss	**259.33**	**299.28**
Other comprehensive income section -		
Items that will not be reclassified to profit or loss in subsequent years		
Deferred tax expenses / (income)	2.40	5.37
Income tax expenses reported in the other comprehensive income	**2.40**	**5.37**

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Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

(F) Reconciliation of tax charge

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Profit before tax	1202.30	1206.26
Income tax expenses at tax rates applicable	25.17%	25.17%
Income tax expenses	**302.60**	**303.59**
Tax effects of -		
- Disallowed expenses	-	-
- Excess provision made	-	-
- Others	-	**76.31**
Tax at different rate		
Deduction under chapter VIA		
Adjustments related to tax of prior years	-	-
Impact of deferred tax adjustments	**(40.87)**	**(75.25)**
Effect on deferred tax due to change in tax rates	-	-
Tax expenses recognised in statement of profit and loss	**261.73**	**304.65**

(G) Computing corporate tax rate applicable to the Company

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Basic Tax Rate	22.00%	22.00%
Add - Surcharge	10.00%	10.00%
Add - Cess	4.00%	4.00%
Corporate Tax Rate Applicable	**25.17%**	**25.17%**

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Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Note 13 - Property, plant and equipment

(₹ in lakhs)

	Gross block				Accumulated depreciation and impairment				Net block	
	31st March, 2021	Additions / Adjustment	Deductions / adjustments	31st March, 2022	31st March, 2021	For the year	Deductions / adjustments	31st March, 2022	31st March, 2022	31st March, 2021
Buildings	178.71	-	-	178.71	8.81	2.82	-	11.63	167.08	169.90
Office equipments	48.86	0.19	0.03	49.02	30.20	6.84	-	37.04	11.98	18.66
Computers	383.43	33.58	-	417.01	274.93	54.93	(5.32)	324.54	92.47	53.83
Furniture and fixtures	901.70	0.29	-	901.99	318.75	80.03	-	398.78	503.21	582.95
Vehicles	336.64	17.61	1.50	352.75	122.30	39.73	(0.06)	161.97	190.78	214.34
Air Conditioner	105.99	-	-	105.99	39.39	6.00	-	45.39	60.60	66.60
Plant & Machinery	157.87	5.43	-	163.30	74.14	7.65	(0.23)	81.56	81.74	83.73
Electrical Fittings	41.59	-	-	41.59	13.89	3.58	-	17.47	24.12	27.70
Total	**2,154.79**	**57.10**	**1.53**	**2,210.36**	**882.41**	**201.58**	**(5.61)**	**1,078.38**	**1,131.97**	**1,217.69**

	Gross block				Accumulated depreciation and impairment				Net block	
	1st April, 2020	Additions / Adjustment	Deductions / adjustments	31st March, 2021	1st April, 2020	For the year	Deductions / adjustments	31st March, 2021	31st March, 2021	31st March, 2020
Buildings	176.72	1.99	-	178.71	6.01	2.80		8.81	169.90	170.71
Office equipments	45.13	3.75	0.01	48.87	40.83	6.59	(17.2)	30.20	18.68	4.30
Computers	266.87	61.89	-	328.76	227.35	50.35	(2.77)	274.93	53.83	39.52
Furniture and fixtures	889.45	12.26	-	901.71	239.68	79.07	-	318.75	582.95	649.77
Vehicles	330.54	10.94	4.85	336.63	88.55	37.47	(3.73)	122.30	214.33	241.99
Air Conditioner	104.91	1.08	-	105.99	33.47	5.94	(0.01)	39.39	66.60	71.44
Plant & Machinery	148.50	9.37	-	157.87	56.58	6.87	10.69	74.14	83.73	91.92
Electrical Fittings	32.74	8.85	-	41.59	10.75	3.13	-	13.89	27.70	21.99
Total	**1,994.86**	**110.13**	**4.86**	**2,100.13**	**703.22**	**192.22**	**(13.02)**	**882.41**	**1,217.69**	**1,291.63**

Note 14- Intangiable Assets

(₹ in lakhs)

	Gross block				Accumulated depreciation and impairment				Net block	
	31st March, 2021	Additions / Adjustment	Deductions / adjustments	31st March, 2022	31st March, 2021	For the year	Deductions / adjustments	31st March, 2022	31st March, 2022	31st March, 2021
Computer Software	88.88	12.72	-	101.60	40.49	7.32	-	47.81	53.79	103.05
Total	**88.88**	**12.72**	**-**	**101.60**	**40.49**	**7.32**	**-**	**47.81**	**53.79**	**103.05**

	Gross block				Accumulated depreciation and impairment				Net block	
	1st April, 2020	Additions / Adjustment	Deductions / adjustments	31st March, 2021	1st April, 2020	For the year	Deductions / adjustments	31st March, 2021	31st March, 2021	31st March, 2020
Computer Software	121.57	21.97	-	143.54	34.83	5.87	(0.21)	40.49	103.05	86.74
Total	**121.57**	**21.97**	**-**	**143.54**	**34.83**	**5.87**	**(0.21)**	**40.49**	**103.05**	**86.74**

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Note 15 - Right of use of assets

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Right of use of assets	92.80	261.30	378.14

Note 15 - Detailed Note on Leases

The weighted average incremental borrowing rate applied to lease liabilities is 10%

Information about leases for which the Company is a leasee are presented below -

(i) Right-of-use assets (ROU)	(₹ in lakhs) Total
Gross carrying value	
Balance as at 1 April 2020	536.61
Additions	58.08
Disposals	-
Balance as at 31 March 2021	594.69
Additions	18.13
Disposals	(84.84)
Balance as at 31 March 2022	**527.98**
Accumulated depreciation	
Balance as at 1 April 2020	158.47
Charge for the year	174.92
Disposal / Adjustment	-
Balance as at 31 March 2021	333.39
Charge for the year	175.93
Disposal / Adjustment	(74.14)
Balance as at 31 March 2022	**435.18**
Net carrying value	
Balance as at 31 March 2021	261.3
Balance as at 31 March 2022	92.8

(ii) Amount recognised in the statement of profit and loss

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Interest cost on lease liabilities	19.44	32.21
Depreciation on right of use assets	175.93	174.93
Rental expense recorded for short-term lease payments and payments for lease of low-value assets not included in the measurement of the lease liability (refer note (I) below)	50.85	31.94

Note - Breakdown of rent

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Short-term lease expense	50.85	24.75
Low value lease expense	-	-
Total lease expense	**50.85**	**24.75**

(iii) Cash outflow from leases

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Cash payments for the principal and interest portion of the lease liability within financing activities	150.15	134.25
Short-term lease payments, payments for lease of low-value assets and variable lease payments not included in the measurement of the lease liability within operating activities	**50.85**	**24.75**

(iv) Lease liabilities

	(₹ in lakhs)
Balance as at 1 April 2020	383.18
Less: Movement during the year	-
Add: Interest cost accrued during the year	32.21
Less: Payment of lease liabilities	(134.25)
Balance as at 31 March 2021	**281.14**
Less: Movement during the year	(46.01)
Add: Interest cost accrued during the year	19.44
Less: Payment of lease liabilities	(150.15)
Balance as at 31 March 2022	**104.42**

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Non-current	45.59	86.46
Current	58.82	194.68

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(v) Maturity analysis of lease liabilities (₹ in lakhs)

Maturity analysis – contractual discounted cash flows As at 31 March 2022	
Less than 1 year	58.82
Between1 and 2 years	41.39
Between2 and 5 years	4.20
Over5 years	-
As at 31 March 2021	
Less than 1 year	194.68
Between1 and 2 years	51.51
Between 2 and 5 years	34.95
Over 5 years	-

Note 16 - Other non financial assets (₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Balance with government authorities	157.54	102.66	77.15
Prepaid expenses	140.56	93.76	100.91
Others	6.02	34.07	-
	304.12	**230.49**	**178.06**

Note 17 - Trade Payables (₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
- Total outstanding dues of micro enterprises and small enterprises	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small Enterprises	1,439.24	401.69	440.13
	1,439.24	**401.69**	**440.13**

Ageing for trade payables outstanding as at March 31, 2022 is as follows: (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	2-3 years	More than 3 years	Total
i)MSME	-	-	-	-
ii)Others	1,439.24	-	-	1,439.24
iii)Disputed dues MSME	-	-	-	-
iii)Disputed dues others	-	-	-	-
Total	**1,439.24**	**-**	**-**	**1,439.24**

Ageing for trade payables outstanding as at March 31, 2021 is as follows: (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	2-3 years	More than 3 years	Total
i)MSME	-	-	-	-
ii)Others	401.69	-	-	401.69
iii)Disputed dues MSME	-	-	-	-
iii)Disputed dues others	-	-	-	-
Total	**401.69**	**-**	**-**	**401.69**

Note 18 - Debt securities (₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
At amortised cost	-	-	
Secured	-	-	
Non convertible debenture	1,499.92	3,833.33	2,200.00
Total	**1,499.92**	**3,833.33**	**2,200.00**

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Issue of secured redeemable non convertible debentures as on 31 March 2022 and 31 March 2021

(₹ in lakhs)

Particulars	Face value per debenture	Date of allotment	Interest rate % p.a.	Date of redemption	31 March 2022	31 March 2021
Bank of Baroda	10	Aug-20	10.60%	Aug-23	500.00	833.33
Axis trustee Services Limited acting in its capacity as trustee of the Northern Arc Money Market Alpha Trust with Northern Arc Money Market Alpha Fund as its scheme	10	Sep-20	13.25%	Sep-21	0.00	1,000.00
A K Capital Finance Pvt Ltd	1	Mar-21	13.50%	Mar-23	999.92	2,000.00

Note 19 - Borrowings (other than debt securities)

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
At amortised cost			
(a) Term Loan			
(I) Secured			
Term Loan from banks	20,803.16	20,704.20	20,817.75
Term Loan from financial institutions	13,685.81	11,094.73	13,908.77
Car loan from bank	45.18	71.97	105.03
(ii) Unsecured			
Term Loan from financial institutions	3,405.66	1,874.01	1,208.12
Loan from inter companies	-	-	1,091.08
	37,939.81	**33,744.91**	**37,130.74**

Term loans from bank as on 31 March 2022 - Secured

(₹ in lakhs)

Repayment term	Tenure	Interest range	31st March, 2022	31st March, 2021	1st April 2020
Monthly	Upto 5 years	8%-10%	8,170.84	19.61	46.08
Monthly	Upto 5 years	10%-11%	88.61	1,553.50	3,248.16
Monthly	Upto 5 years	11%-12%	656.9	2,152.41	3,606.70
Monthly	Upto 5 years	12%-13%	6,158.41	9,127.77	2,616.94
Monthly	Upto 5 years	above 13%	1,099.48	2,615.56	3,811.29
Monthly	Above 5years -Upto 7years	8.80%	45.18	52.36	58.95
Quarterly	Upto 5years	12%-13%	-	1,005.27	-
			16,219.42	**16,526.48**	**13,388.12**

Loan repayable on demand from bank - secured

(₹ in lakhs)

Repayment term	Tenure	Interest range	31st March, 2022	31st March, 2021	1st April 2020
On demand	Upto 5 years	10%-11%	2,370.78	1,949.48	-
On demand	Upto 5 years	11%-12%	1,832.31	826.87	2,329.17
On demand	Upto 5 years	12%-13%	425.83	1,473.34	2,590.44
On demand	Upto 5 years	Above 13%	-	-	2,615.05
			4,628.92	**4,249.69**	**7,534.66**

Term loans from financial institutions as on 31 March 2022 - Secured

(₹ in lakhs)

Repayment term	Tenure	Interest range	31st March, 2022	31st March, 2021	1st April 2020
Monthly	Upto 5 years	9%-10%	-	-	-
Monthly	Upto 5 years	10%-11%	610.29	-	-
Monthly	Upto 5 years	11%-12%	2,398.6	2,665.84	4,418.07
Monthly	Upto 5 years	12%-13%	8,182.76	4,481.37	9,157.61
Monthly	Upto 5 years	above 13%	2,494.16	3,947.52	-
Quarterly	Upto 5 years	11.15%	-	-	333.09
			13,685.81	**11,094.73**	**13,908.77**

Term loans from financial institutions as on 31 March 2022 - UnSecured

(₹ in lakhs)

Repayment term	Tenure	Interest range	31st March, 2022	31st March, 2021	1st April 2020
Monthly	Upto 5 years	12%-13%	405.66	-	2,299.20
Quarterly	Upto 5 years	12%-13%	1,000.00	1,874.01	-
Ondemand	Upto 5 years	12%-13%	2,000.00	-	-
			3,405.66	**1,874.01**	**2,299.20**

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Maturity of Loan

(₹ in lakhs)

Rate of interest	31st March, 2022			31st March, 2021			1st April 2020		
	Upto 1 year	1-7years	Total	Upto 1 year	1-7years	Total	Upto 1 year	1-7years	Total
8.80	7.84	37.34	45.18	24.75	45.18	69.93	464.13	71.97	536.10
9.21	-	-	-	-	-	-	6.93	-	6.93
9.15	803.38	4,135.65	4,939.03	-	-	-	-	-	-
9.95	1,080.00	274.81	1,354.81	-	-	-	-	-	-
10.00	1,000.00	877.00	1,877.00	-	-	-	-	-	-
10.06	-	-	-	163.72	-	163.72	399.99	166.67	566.66
10.40	-	-	-	468.36	-	468.36	817.67	440.00	1257.67
10.50	66.37	-	66.37	-	-	-	-	-	-
10.80	88.61	-	88.61	179.53	88.64	268.17	130.67	268.16	398.83
10.86	-	-	-	-	653.25	653.25	500.00	458.33	958.33
10.90	2,370.78	-	2,370.78	1,948.48	-	1,948.48	-	-	-
11.00	-	-	-	-	-	-	66.66	-	66.66
11.15	-	-	-	-	-	-	333.09	-	333.09
11.17	-	-	-	64.73	-	64.73	876.43	64.54	940.97
11.20	105.41	-	105.41	-	-	-	-	-	-
11.25	1,344.96	237.76	1,582.72	-	-	-	-	-	-
11.35	-	-	-	-	-	-	665.34	-	665.34
11.40	-	-	-	241.32	-	-	255.71	-	255.71
11.50	-	-	-	1,473.34	-	241.32	612.74	200.60	813.34
11.55	1,832.31	-	1,832.31	1,093.71	125.00	1,473.34	1,963.06	-	1,963.06
11.75	125.68	-	125.68	469.33	815.88	1,218.71	593.71	800.00	1,393.71
11.80	527.81	288.07	815.88	-	-	1,285.21	-	-	-
11.95	-	-	-	1,589.21	421.11	-	49.16	-	49.16
12.00	425.82	-	425.82	-	-	2,010.32	1,942.04	2,983.69	4,925.73
12.40	-	-	-	-	-	-	-	-	-
12.50	543.93	-	543.93	-	-	-	-	-	-
12.25	1,323.30	1,023.10	2,346.40	-	-	-	28.65	-	28.65
12.37	554.54	-	554.54	499.37	553.49	1,052.86	370.89	1,023.93	1,394.82
12.40	-	-	-	382.99	-	382.99	268.89	358.84	627.73
12.50	6,885.16	1,822.79	8,707.95	4,405.22	1,514.34	5,919.56	4,552.71	3,634.32	8,187.03
12.60	877.10	513.20	1,390.30	750	562.5	1,312.50	-	-	-
12.75	1,417.25	512.86	1,930.11	880.16	1,181.55	2,061.71	38.98	-	38.98
13.00	2,361.19	882.17	3,243.36	3,648.85	2,936.83	6,585.68	4,532.60	3,378.35	7,910.95
13.50	2,202.28	514.33	2,716.61	2,448.13	2,724.28	5,172.41	1,195.73	2,615.56	3,811.29
13.80	320.68	463.14	783.82	311.66	528.17	839.83	-	-	-
13.90	93.19	-	93.19	175.72	91.12	266.84	-	-	-
14.30	-	-	-	284.99	-	284.99	-	-	-
	26,357.59	**11,582.22**	**37,939.81**	**21,503.57**	**12,241.34**	**33,744.91**	**20,665.78**	**16,464.96**	**37,130.74**

Note 20 - Lease liabilities

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Lease	104.42	281.14	383.18

Note 21 - Other financial liabilities

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Employee related payable	-	-	-
Other expenses payable	59.02	126.93	150.11
	59.02	**126.93**	**150.11**

Note 22 - Provision

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Provision for employee benefits			
- provision for gratuity	88.56	59.68	24.55
- provision for compensated absences	-	-	-
Total	**88.56**	**59.68**	**24.55**

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Note 23 - Other non-financial liabilites

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Statuary dues payable	58.17	53.30	103.23
	58.17	**53.30**	**103.23**

Note 24 - Equity share capital
Share capital

(₹ in lakhs)

Particulars	No of shares	Amount
As at 1 April 2020	1,25,56,470.00	1,255.65
Issued during the year	-	-
As at 31 March 2021	1,25,56,470.00	1,255.65
Issued during the year	-	-
As at 31 March 2022	**1,25,56,470.00**	**1,255.65**

Note 25 - Other equity

(₹ in lakhs)

	Reserve and surplus			
Particulars	**Securities premium**	**Retained earnings**	**Statutory reserve**	**Total**
Balance as at 1 April 2020	5,879.19	4,966.17	1,268.91	12,114.27
Profit for the year	-	725.59	181.40	906.98
Other comprehensive income	-	15.97	-	15.97
Transfer from retained earnings	-	-	-	-
Balance as at 31 March 2021	5,879.19	5,707.73	1,450.31	13,037.20
Profit for the year	-	754.37	188.59	942.97
Other comprehensive income	-	7.11	-	7.11
Transfer from retained earnings	-	-	-	-
Balance as at 31 March 2022	5,879.19	6,469.21	1,638.90	13,987.30

Note 24 - (Detailed note on Equity)

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Authorised			
1,49,00,000 Equity share of ₹ 10 each	1,490.00	1,490.00	1,490.00
1,00,000 Preference shares of ₹ 10 each	10.00	10.00	10.00
	1,500.00	**1,500.00**	**1,500.00**
Issued, subscribed and paid up			
31 March 2022-1,25,56,470 (31 March 2021 - 1,25,56,470, 1 April 2020 - 1,25,56,470) equity shares of face value ₹ 10 each fully paid up	1,255.65	1,255.65	1,255.65
	1,255.65	**1,255.65**	**1,255.65**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	31st March, 2022		31st March, 2021	
	Number of shares	**Amount (₹ in lakhs)**	**Number of shares**	**Amount (₹ in lakhs)**
Shares outstanding at the beginning of the year	1,25,56,470	1,255.65	1,25,56,470	1,255.65
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**1,25,56,470**	**1,255.65**	**1,25,56,470**	**1,255.65**

(b) Right, preference and restriction on shares

The Company has one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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(C)Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company **(₹ in lakhs)**

Name of the shareholder	31st March, 2022		31st March, 2021		1st April 2019	
	Number of shares	% of total shares	Number of shares	% of total shares	Number of shares	% of total shares
Manish K Shah	21,86,616.00	17	21,86,616.00	17	17,58,847.00	19
Nikita M Shah	16,68,090.00	13	16,68,090.00	13	13,48,408.00	14
Manish Kirit Shah (HUF)	7,38,282.00	6	7,38,282.00	6	5,75,235.00	6
Mansi M Shah	1,800.00	0	1,800.00	0	1,500.00	0
Monil M Shah	5,98,183.00	5	5,98,183.00	5	4,98,486.00	5
Manba Investments and Securities Private Limited	46,35,346.00	37	46,35,346.00	37	33,84,647.00	36
Manba Broking Services Pvt Ltd	8,31,900.00	7	8,31,900.00	7	8,38,250.00	9
Manba Fincorp Pvt Ltd	6,95,902.00	6	6,95,902.00	6	3,75,000.00	4
Manba Infotech LLP	12,00,351.00	10	12,00,351.00	10	6,58,762.00	7
Total	**1,25,56,470.00**	**100**	**1,25,56,470.00**	**100**	**94,39,135.00**	**100**

(d) Disclosure of shareholding of promoters and promoter group of the Company
Out of equity shares issued by the Company, shares held by promoter and promoter group are as below -

Name of the shareholder	31st March, 2022		31st March, 2021		1st April 2019	
	Number of shares	% of total shares	Number of shares	% of total shares	Number of shares	% of total shares
Manish K Shah	21,86,616.00	17	21,86,616.00	17	17,58,847.00	19
Nikita M Shah	16,68,090.00	13	16,68,090.00	13	13,48,408.00	14
Total	**38,54,706.00**		**38,54,706.00**		**31,07,255.00**	

(e) The Company has neither issued any bonus shares nor there has been any buy back of shares during the five years immediately preceding 31 March 2022. Also, no share were issued for consideration other than cash during five years immediately preceding 31 March 2022.

Note 25 - (Detailed note on Other equity)

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Security premium	5,879.19	5,879.19	5,879.19
Capital reserve	-	-	-
Revaluatoin reserve	-	-	-
Profit and loss account	6,469.21	5,707.73	4,966.17
Statutory reserve	1,638.90	1,450.31	1,268.91
	13,987.30	**13,037.20**	**12,114.27**

(i) Security premium

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Balance at the beginning of the year	**5,879.19**	**5,879.19**	**5,879.19**
Add - changes during the year	-	-	-
Balance at the end of the year	**5,879.19**	**5,879.19**	**5,879.19**

Amount received (on issued of shares) in excess of the face value has been classified as securities premium. The reserve will be utilised in accordance with the provision of the Act.

(ii) Capital reserve

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Balance at the beginning of the year	-	-	-
Add - transfer from debenture redemption reserve			
Balance at the end of the year	-	-	-

Capital redemption reserve is created on account of merger and it will be utilised in accordance with the provision of the Companies Act, 2013.

(iii) Revaluation reserve

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Balance at the beginning of the year			
Less - transfer to general reserve	-	-	-
Balance at the end of the year	-	-	-

(iv) Profit and loss account

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Balance at the beginning of the year	5707.73	4966.17	4966.17
Add - Profit for the year	754.37	725.59	-
Add - Other comprehensive income for the year	7.11	15.97	-
Balance at the end of the year	**6469.21**	**5707.73**	**4966.17**
Retained earnings represents the accumulated profits / losses made by the Company over the years.			

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(v) Statutory reserve

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Balance at the beginning of the year	1,450.31	1,268.91	1,268.91
Less - transfer to general reserve	188.59	181.40	-
Balance at the end of the year	**1,638.90**	**1,450.31**	**1,268.91**

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation.
The Company has transferred 25% of the profit after tax (as against 20%) required to the statutory reserves in accordance to the provision of Section 45-IC Reserve Bank of India Act,1934.

Note 26 - Interest income

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Interest income on financial assets measured at amortised cost		
- Interest on Loans	9,397.99	9,631.95
	9,397.99	**9,631.95**

Note 27 - Other operating income

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Other financials charges	1,066.58	813.59
	1,066.58	**813.59**

Note 28 - Other income

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Commission income	1,18.74	26.26
Profit on sales of short term investments in shares	-	9.89
Profit on sale of property, plant and equipment	0.26	0.99
Sundry balance written off	-	(2.21)
Interest on SD	9.94	9.02
Interest on Fixed deposits	65.81	51.49
Miscellaneous income	43.12	46.76
	237.87	**142.20**

Note 29 - Finance costs

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
On financial liabilities measured at amortised cost		
Interest on borrowing	4,235.19	4,472.37
Interest on debt securities	125.91	324.89
Interest on lease liabilities	19.44	32.21
Other finance charges	278.05	275.10
	4,658.59	**5,104.57**

Note 30 - Impairment of financial instruments

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Financial assets measured at amortised cost	-	-
Loans	282.22	245.51
	282.22	**245.51**

Note 31 - Employee benefits expense

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Salaries, wages and bonus	2,176.46	1,768.15
Contribution to provident and other funds	42.07	50.37
Gratuity expenses	40.19	56.74
Compensated absences expenses	-	-
Staff welfare expenses	28.42	17.33
	2,287.14	**1,892.59**

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Note 32 - Depreciation and amortisatoin expense

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Depreciation on property, plant and equipments	195.99	182.01
Depreciation on right to use assets	175.93	174.93
Amortisation on intangible assets	7.32	5.87
	379.24	**362.81**

Note 33 - Other expenses

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Advertisement Expenses	1.68	0.39
Statutory auditors remuneration	4.60	2.62
Business Promotion expenses	57.11	219.55
CIBIL Charges	45.59	34.02
Computer & Software Charges	25.18	25.87
Commission expenses	93.31	254.62
Conveyance Expenses	49.75	14.90
CSR expenses	30.00	27.50
Document & Stamping Charges	56.24	46.40
Diwali Exp	-	-
Donations	24.09	20.99
Goods and services tax	168.19	79.37
House keeping expenses	13.94	11.23
Insurance expenses	7.29	6.73
Legal Expenses	0.39	0.26
Personnel Expense	-	-
Petrol Charges	3.44	4.78
Security Charges	13.53	12.38
Society Maintenance	6.19	5.51
Transport Charges	-	-
Water Charges	3.00	3.89
Electricity Charges	48.67	45.65
FIR Charges	32.00	35.68
Internet Expenses	9.33	10.35
Loss on sale of Seized Vehicles	730.31	528.18
Office Expenses	35.00	41.81
Postage & Telegram	13.00	13.79
Printing & Stationery	24.86	28.14
Professional & Consultancy Fees	90.20	41.65
Incentive to Dealer	212.19	181.50
Rent, Rates & Taxes	50.85	31.94
Repairs & Maintenance	21.68	18.85
Telephone Expenses	15.64	20.31
Other Miscellaneous Expenses	5.70	7.14
	1,892.95	**1,776.00**

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Note I - Payments to auditors

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Statutory audit fees	2.42	2.42
Taxation matters and Other attest services	12.82	3.29
	15.24	**5.71**

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Note II - Corporate social responsibility

As per section 135 of the Companies Act, and rules therein, the Company is required to spend at least 2% of its average net profits for three immediately preceding financial years towards CSR activities. The Company has CSR committee as per the Act. The funds are utilised on the activities which are specified in schedule VII of the Act. Details of CSR expenditure are as follows -

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
(i) Amount required to be spent by the company during the year	29.28	27.18
(ii) Amount of expenditure incurred on:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	30.00	27.5
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	-	-
(vi) Nature of CSR activities	Medical and Education	Medical and Education
(vii) Details of related party transactions in relation to CSR expenditure as per relevant accounting standard	NA	NA

The amount spent towards CSR does note involve any long term project and accordingly, disclosure requirements relating to ongoing projects is not applicable as at reporting dates.

Note 34 - Earnings per share

The earnings per equity share is computed by dividing the net profit attributable to the equity shareholders for the year by weighted average number of equity shares outstanding at the year end.

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Net profit after tax for the year	9,42,96,589.71	9,06,98,484.65
Profit attributable to equity share holders	9,42,96,589.71	9,06,98,484.65
Weighted average number of equity shares outstanding during the year (numbers)	1,25,564,70.00	1,25,56,470.00
Basic (in ₹)	7.51	7.22
Diluted (in ₹)	7.51	7.22
Face value per share (in ₹)	10	10

Note 35 - Contingent liabilites

No Contigency have been identified hence , provision has been created

Note 36 - Capital commitments

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**NIL**	**NIL**	**NIL**

Note 37 - Operating segment

There is no separate reportable segment as per Ind AS 108 on Operating Segments' in respect of the Company.

The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure.

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

Note 38 - Employee benefits

(A) Defind contribution plans

During the year, the Company has recognised the following amounts in the statement of profit and loss -

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Contribution to provident, ESIC and labour welfare fund (refer note 31)	64.05	32.06
	64.05	**32.06**

(B) Defind benefit plans

(I) Gratuity

The Company's liabilities under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each reporting period using the projected unit credit method.

The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

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(B) Defind benefit plans

(i) Gratuity

The Company's liabilities under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each reporting period using the projected unit credit method.

The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

The defined benefit plans expose the Company to risks such as actuarial risk, liquidity risk, market risk, legislative risk. These are discussed as follows:

Basis of assumptions

Calculating Defined benefit obligation, by using Projected Unit Credit Method, requires an actuary to make a lot of assumptions, based on current market scenarios. The basis of different assumptions used while calculating the defined benefit obligation is as follows :-

Discount rate -

Discount rate has been determined by reference to market yields on Government bonds of term consistent with estimated term of obligations.

Mortality / disability

If the actual mortality rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

Employee turnover / withdrawal rate

If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

Salary escalation rate

More or less than expected increase in the future salary levels may result in increase / decrease in the liability.

(a) Principal assumptions used for the purposes of the actuarial valautions

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Economic assumptions		
Discount rate (per annum)	7.37%	6.87%
Salary escalation rate	10%	For First year-0% Thereafter -8.5%
Demographic assumptions		
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee turnover / withdrawal rate	7%	10.50%
Retirement age	58 years	58 years

(ii) Amount recognised in the balance sheet

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Present value of unfunded obligation as at the end of the year	88.56	59.68
Net liability recognised in the balance sheet	88.56	59.68
Current obligations	2.54	3.05
Non-current obligations	86.02	56.64

(iii) Changes in the present value of defined benefit obligation

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Present value of obligation at the beginning of the year	59.68	49.36
Interest cost	5.12	4.14
Current service cost	32.61	27.79
Past service cost	-	-
Benefits paid	(2.39)	(0.28)
Actuarial (gain) / loss on obligations - due to change in financial assumptions	(6.47)	(21.34)
Actuarial (gain) / loss on obligations - due to experience adjustments	-	-
Present value of obligation at the end of the year	**88.55**	**59.67**

(iv) Expenses recognised in the statement of profit and loss

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Current service cost	32.61	27.79
Net interest cost	5.12	4.14
Past service cost	-	-
Total expense recognised in the statement of profit and loss	**37.73**	**31.93**

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(v) Expenses recognised in other comprehensive income

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Remeasurement due to		
- effect of change in financial assumptions	6.72	(6.21)
- effect of change in demographic assumptions	6.94	-
- effect of experience adjustments	(20.13)	(15.12)
Net actuarial (gains)/ losses recognised in OCI	(6.47)	(21.33)

(vi) Sensitively analysis for significant assumption

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Discount rate		
1% increase	(9.78)	(5.39)
1% decrease	11.70	6.05
Salary escalation rate		
1% increase	8.73	5.89
1% decrease	(8.55)	(4.92)

(vii) Maturity profit of defined benefits obligation

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Withing next 12 months	2.63	3.15
Between 2 and 5 years	18.25	17.99
Between 6 and 10 years	32.72	27.61
Beyond 10 years	215.18	82.85
Total expected payments	**268.78**	**131.6**

Note 39 - Related party Disclosure

Names and Relationships of the related parties

i)Concerns under same Management:
1.Theme Infotech Private Limited
2 .Celebrity Project Private Limited
3. Aarambh Properties LLP
4 .Nirvan Vastu Developers LLP
5 .Celebrity Buildcon LLP
6. Manba Fincorp Private Lmited
7.Manba Investment and Securities Private Limited
8 .Manba Infotech LLP
9.Aastha Construction
10.Ride Choice Ltd

ii) Key Management Personnel;
1.Manish K Shah.
2.Nikita M Shah.
3.Kirit R Shah.
4.Monil M Shah
5.Jay Mota.
6.Bhavisha Jain.

iii)Transactions with the related parties during the year are as follows:

(₹ in lakhs)

Transaction with related parties	Company under same management	Key Management Personnel and Relatives
Remuneration	-	392.24
Loan taken	2.61 (2.61)	-
Loan given	523.50 (773.39)	74.46 (74.56)
Share Application Money paid	-	-

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Borrower Groupwise classification of Assets financed as in (2) and (3) above

Category	Amount Net of Provisions		
	Secured	Unsecured	TOTAL
1. Related Parties		975.07	975.07
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	904.51	904.51
(c) Other related parties	-	70.56	70.56
2. Other than Related Parties	44,046.29	3,245.99	47,292.29
Total	**44,046.29**	**4,221.06**	**48,267.35**

Note 40 - Operating segment
(a) Expected Credit loss - Loans :
(₹ in lakhs)

Particulars		31st March, 2022			31st March, 2021			1st April 2020		
		Gross carrying amount	Expected credit loss	Carrying amount net of impairment provision	Gross carrying amount	Expected credit loss	Carrying amount net of impairment provision	Gross carrying amount	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 months expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	43,294.84	243.75	43,051.09	43,120.69	349.30	42,771.39	38,320.09	209.02	38,111.08
Loss allowance measured at Life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-Impaired	3,163.45	78.72	3,084.73	4,013.50	85.26	3,928.24	5,382.04	128.47	5,253.56
	Financial assets for which credit risk has increased significantly and credit-impaired	2,450.04	318.51	2,131.53	1,301.57	221.60	1,079.97	2,057.61	267.49	1,790.12
TOTAL		**48,908.33**	**640.98**	**48,267.35**	**48,435.76**	**656.16**	**47,779.60**	**45,759.74**	**604.98**	**45,154.76**

(b) Reconciliation of loss allowance provision - Loans

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on 1 April 2020	209.02	128.47	267.49	604.98
New assets originated or purchased	43.98	17.68	14.56	76.22
Amount written off	(54.51)	(33.51)	(69.76)	(157.78)
Transfers to Stage 1	(2.15)	1.45	0.70	-
Transfers to Stage 2	47.68	(57.76)	10.08	-
Transfers to Stage 3	40.56	47.75	(88.31)	-
Increase/ (Decrease) provision on existing financial assets including recovery	64.72	(18.83)	86.85	132.73
ECL as on 31 March 2021	349.30	85.26	221.60	656.16
New assets originated or purchased	48.34	21.32	70.31	139.97
Amount written off	(171.67)	(38.64)	(87.09)	(297.41)
Transfers to Stage 1	(2.50)	1.70	0.80	-
Transfers to Stage 2	3.45	(5.79)	2.34	-
Transfers to Stage 3	222.72	49.18	(271.90)	-
Increase/ (Decrease) provision on existing financial assets including recovery	(205.89)	(34.30)	382.45	142.26
ECL as on 31 March 2022	**243.75**	**78.72**	**318.51**	**640.98**

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(C) Reconciliation of gross carrying amount - Loans

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on 1 April 2021	38,320.09	5,382.04	2,057.61	45,759.74
New assets originated or purchased	22,552.55	843.82	(64.55)	23,331.82
Amount written off	(54.51)	(33.51)	(69.76)	(157.78)
Transfers to Stage 1	(943.68)	895.92	47.76	-
Transfers to Stage 2	2,165.08	(2,230.35)	65.27	-
Transfers to Stage 3	311.95	350.56	(662.51)	-
Net recovery	(19,230.80)	(1,194.98)	(72.25)	(20,498.03)
Gross carrying amount as on 31 March 2021	43,120.69	4,013.50	1,301.57	48,435.75
New assets originated or purchased	20,326.26	943.89	3,540.85	24,811.00
Amount written off	(171.67)	(38.64)	(87.09)	(297.41)
Transfers to Stage 1	(747.42)	722.17	25.25	-
Transfers to Stage 2	1,700.56	(1,738.91)	38.35	0.00
Transfers to Stage 3	711.33	378.32	(1,089.65)	-
Net recovery	(21,644.91)	(1,116.87)	(1,279.24)	(24,041.02)
Gross carrying amount as on 31 March 2022	43,294.84	3,163.45	2,450.04	48,908.33

Note 41 - Fair values of financial assets and financial liabilites

(₹ in lakhs)

Particulars	FVOCI	FVTPL	Amortised cost
As at 31 March 2022			
Financial Assets			
Cash and cash equivalents	-	-	3198.39
Bank balance other than cash and cash equivalents	-	-	1805.57
Loans	-	-	48267.35
Investments	-	8.04	-
Other financial assets	-	-	1080.45
Financial liabilities			
Trade payables	-	-	1439.24
Debt securities	-	-	1499.92
Borrowings (other than debt securities)	-	-	37939.81
Deposits	-	-	104.42
Other financial liabilities	-	-	59.02
As at 31 March 2021			
Financial Assets			
Cash and cash equivalents	-	-	453.93
Bank balance other than cash and cash equivalents	-	-	921.53
Loans	-	-	47,779.59
Investments	-	-	5.00
Other financial assets	-	-	1,535.38
Financial liabilities			
Trade payables	-	-	401.69
Debt securities	-	-	3833.33
Borrowings (other than debt securities)	-	-	33744.91
Deposits	-	-	281.14
Other financial liabilities	-	-	126.93
As at 1 April 2020			
Financial Assets			
Cash and cash equivalents	-	-	519.92
Bank balance other than cash and cash equivalents	-	-	560.96
Loans	-	-	45154.76
Investments	-	-	5.00
Other financial assets	-	-	5408.14
Financial liabilities			
Trade payables	-	-	440.13
Debt securities	-	-	2200.00
Borrowings (other than debt securities)	-	-	37130.74
Deposits	-	-	383.18
Other financial liabilities	-	-	150.11

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Note 42 - Fair values hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

• Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) 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).

The following table presents fair value hierarchy of financial instruments measured at fair value on a recurring basis:

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3	Total
As at 31 March 2022				
Financial assets				
Financial assets measured at fair value through profit or loss				
Investment in equity instruments	8.04	-	-	8.04
Total financial assets				
As at 31 March 2021				
Financial assets				
Financial assets measured at fair value through profit or loss				
Investment in equity instruments	5.00	-	-	5.00
Total financial assets				
As at 1 April 2020				
Financial assets				
Financial assets measured at fair value through profit or loss				
Investment in equity instruments	5.00	-	-	5.00
Total financial assets				

1) Investment in quoted equity instruments are valued using the closing market rate on the reporting date

2) Investment in Mutual funds and Alternative Investment Funds are valued using the closing NAV on the reporting date

3) Investment in gold is valued using the rate of gold as on the reporting date.

The carrying amount of cash and cash equivalents, trade receivables, bank balances other than cash and cash equivalents, trade payables, and other receivables / payables are considered to be the same as their fair values.

Note 43 - Financial risk management objectives

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's overall risk management program focuses on robust liquidity management as well as monitoring of various relevant market variables, thereby consistently seeking to minimize potential adverse effects on the Company's financial performance. Management has not formed formal risk management policies, however, the risks are monitored by management by analyzing exposures by degree and magnitude of risk on a continued basis. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to floating interest rate borrowings, hence it is not exposed to interest rate risk. Further we have some borrowing wherein we have floating rate of interest

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company's mainly transacting in and hence the company is not exposed to any foreign currency risk.

(B) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counter parties fail to discharge their contractual obligation. Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk by following adequate internal controls according to the materiality of the risk involved. The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements.

Credit risk arises mainly from retail loans and advances and loan commitments arising from such lending activities. Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time.

Cash and cash equivalents are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial Institutions as approved by the Board of Directors.

(i) Loans and advances (including loan commitments and gaurantees)

The estimation of credit exposure for risk management purposes is complex, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring and of the associated loss ratios. The Company measures credit risk for each class of loan assets using inputs such as Probability of Default ("PD") and Loss Given Default ("LGD").

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Computation of allowance for impairment losses:

The Company prepares its financial statements in accordance with the IND AS framework.

As per the RBI notification on acceptance of IND AS for regulatory reporting, the Company computes provision as per IND AS 109 as well as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). Where impairment allowance in aggregate for the Company under Ind AS 109 is lower than the provisioning required under IRACP (Including standard asset provisioning) for the Company, the difference is appropriated from net profit or loss after tax to a separate 'Impairment Reserve'. Any withdrawals from this reserve shall be done only with prior permission from the RBI.

ECL allowances recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability weighted basis, based on certain economic scenarios. The recognition and measurement of ECL involves use of significant judgement and estimation. Forward looking economic forecasts are used in developing the ECL estimates. Three scenarios sufficient to calculate unbiased ECL were used - representing the "Base case" (the "Central" scenario) and two "Worst case" scenarios (the "Downside" scenario) and three "Best case' (the "Upside" scenario). Probability weights are assigned to each scenario. The Central scenario is based on the Company outlook of GDP growth,inflation, unemployment and interest rates for India and most relevant for the Company's loan portfolio. The Upside and Downside scenarios generated at the reporting dates are designed to cover cyclical changes and are updated during the year only if the economic conditions change significantly.

In case where the estimate based on ECL model does not appropriately capture the stress in the portfolio given the lag effect between the actual stress and its impact on ECL computation, the management estimates an additional provision over and above the estimate based on the model and computation methodology stated above. This additional provision is referred to as management overlay.

In accordance with the Board approved moratorium policy read with the RBI guidelines dated March 27, 2020, April 17,2020 and May 23,2020 related to "Covid-19 Regulatory Package", the Company has granted moratorium up to five months for payment of installment falling due between April 1,2020 and August 31,2020 to selected borrowers in accordance with the Company's policy approved by the Board. As per assessment of the Company, extension of such moratorium benefit to the borrowers as per the Covid-19 regulatory package of the RBI, is not considered to result in significant increase in credit risk as defined in Ind AS 109.The Company continued to recognize interest income during the moratorium period and in absence of other credit indicators, granting of moratorium period does not result in accounts becoming past due thereby automatically triggering stage 2 or stage 3 classification criteria as per IND AS 109. For all such accounts where moratorium is granted pursuant to the above RBI guidelines, the asset classification shall remain stand still during the moratorium period (i.e. number of days past-due shall exclude the moratorium period for the purpose of asset classification under Income Recognition, Asset Classification and provisioning norms).

(ii) Other remaining financial assets (Other financial assets and loans)

Other financial assets mainly includes deposit and advances given, and receivables from recovery agents. Loans, being a primary part of our operations, represent vehicle loans given to various parties for purchasing motor vehicles. Based on assessment carried by the Company, entire receivable under this category is classified as "Stage 1". There is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible.

(C) 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 its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet it's liabilities when due. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarizes the maturity profile of the Company's financial liabilities:

(₹ in lakhs)

Particulars	Within 12 months	Beyond 12 months	Total
As at 31 March 2022			
Trade payables	1,439.24	-	1,439.24
Debt securities	999.92	500.00	1,499.92
Borrowings (other than debt securities)	26,357.59	11,582.22	37,939.81
Other financial liabilities	59.02	-	59.02
	28,855.77	12082.22	40937.99
As at 31 March 2021			
Trade payables	401.69	-	401.69
Debt securities	1,000.00	2,833.33	3,833.33
Borrowings (other than debt securities)	21,503.57	12,241.34	33,744.91
Other financial liabilities	126.93	-	126.93
	23,032.19	15074.67	38106.86
As at 1 April 2020			-
Trade payables	440.13	-	440.13
Debt securities	2200.00	-	2200.00
Borrowings (other than debt securities)	20665.78	16464.96	37130.74
Other financial liabilities	150.11	-	150.11
	23456.02	16464.96	39920.98

MANBA FINANCE LIMITED

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Significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Note 44 - Maturity analysis of assets and liabilities

The below table shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Maturity analysts of assets and liabilities as at 31 March 2022

(₹ in lakhs)

Particulars	Within 12 months	After 12 months	Total
Assets			
Cash and cash equivalents	3,198.39	-	3,198.39
Bank balance other than cash and cash equivalents	1,805.57	-	1,805.57
Loans	30,618.00	17,649.35	48,267.35
Investments	-	8.04	8.04
Other financial assets	1,080.45	-	1,080.45
Current tax assets (net)	287.36	-	287.36
Deferred tax assets (net)	-	202.25	202.25
Property, plant and equipment	-	1,131.97	1,131.97
Capital work in progress	-	-	-
Other intangible assets	-	53.79	53.79
Right of use of assets	-	92.80	92.80
Other non-financial assets	304.12	-	304.12
Total assets	**37,293.89**	**19,138.20**	**56432.09**
Liabilities Trade payables			
- total outstanding dues of micro enterprises and small enterprises			
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,439.24	-	1,439.24
Debt securities	999.92	500.00	1,499.92
Borrowings (other than debt securities)	26,357.59	11,582.22	37,939.81
Other financial liabilities	59.02	-	59.02
Current tax liabilities (net)	-	-	-
Lease liabilities	104.42	-	104.42
Provisions	88.56	-	88.56
Other non-financial liabilities	58.17	-	58.17
Total liabilities	**29,106.92**	**12,082.22**	**41,189.14**

Maturity analysis of assets and liabilities as at 31 March 2021

(₹ in lakhs)

Particulars	Within 12 months	After 12 months	Total
Assets			
Cash and cash equivalents	453.93	-	453.93
Bank balance other than cash and cash equivalents	921.53	-	921.53
Loans	31,447.00	16,332.59	47,779.59
Investments	-	5.00	5.00
Other financial assets	1,535.38	-	1,535.38
Current tax assets (net)	-	124.50	124.50
Deferred tax assets (net)	-	161.37	161.37
Property, plant and equipment	-	1,217.69	1,217.69
Capital work in progress	-	-	-
Other intangible assets	-	103.05	103.05
Right of use of assets	-	261.30	261.30
Other non-financial assets	-	230.49	230.49
Total assets	**34,357.84**	**18,435.99**	**52,793.83**
Liabilities Trade payables			
- total outstanding dues of micro enterprises and small enterprises	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	401.69	-	401.69
Debt securities	1,000.00	2,833.33	3,833.33
Borrowings (other than debt securities)	21,503.57	12,241.34	33,744.91
Other financial liabilities	126.93	-	126.93
Current tax liabilities (net)	-	-	-
Lease liabilities	281.14	-	281.14
Provisions	59.68	-	59.68
Other non-financial liabilities	53.30	-	53.30
Total liabilities	**23,426.31**	**15,074.67**	**38,500.98**

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Maturity analysis of assets and liabilities as at 1 April 2020

(₹ in lakhs)

Particulars	Within 12 months	After 12 months	Total
Assets			
Cash and cash equivalents	519.92	-	519.92
Bank balance other than cash and cash equivalents	560.96	-	560.96
Loans	32268.22	12886.55	45154.77
Investments		5.00	5.00
Other financial assets		-	5408.14
Current tax assets (net)	5408.14	-	132.63
Deferred tax assets (net)	132.63	86.12	86.12
Property, plant and equipment	86.12	1291.63	1291.63
Capital work in progress	-	-	-
Other intangible assets	-	86.74	86.74
Right of use of assets	-	378.14	378.14
Other non-financial assets	-	178.06	178.06
Total assets	**38975.99**	**14,912.24**	**53802.11**
Liabilities Trade payables			
- total outstanding dues of micro enterprises and small enterprises			
- total outstanding dues of creditors other than micro enterprises and small enterprises	440.13	-	440.13
	-	-	-
Debt securities	2200.00	-	2200.00
Borrowings (other than debt securities)	20665.78	16464.96	37130.74
Other financial liabilities	150.11	-	150.11
Current tax liabilities (net)	-	-	-
Lease liabilities	383.18	-	383.18
Provisions	24.55	-	24.55
Other non-financial liabilities	103.23	-	103.23
Total liabilities	**23966.98**	**16464.96**	**40431.92**

Manba Finance Limited

Note 45 - Maturity analysis of assets and liabilities

For the purpose of the Company's capital management, capital includes issued equity capital, Cumulative compulsorily convertible participating preference shares and all other equity reserves attributable to the equity holders.

The Company's objective while managing the capital are to :-

1) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders;

2) Maintain an optimal Capital Structure to reduce the cost of capital

3) Maximize shareholder value

The company strategically manages its funds by :-

1) Maintaining diversity of sources of funding and spreading the maturity across periods in order to minimize the liquidity risk

2) Minimizing or wherever possible, eliminating exposure to market rate risks like foreign exchange risk, interest rate risk and commodity price risk, thereby minimizing the impact of market volatility on earnings.

3) Analyzing the changes in macro economic factors affecting business environment and re-organizing its capital structure accordingly to adapt to the ever changing dynamics of business environment

4) By continuously monitoring and adjusting overall capital demand and supply in an effort to achieve an appropriate balance of the economic and regulatory considerations at all times and from all perspectives

The company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net gearing ratio : Net Debt (total borrowings net of cash and cash equivalents) divided by Total Equity (as shown in the balance sheet).

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021	1st April 2020
Gross debt	39,439.73	37,578.24	39,330.74
Less - Liquid assets	3198.39	453.93	519.92
Net	**36,241.34**	**37,124.31**	**38,810.82**
Equity	**15,242.95**	**14,292.85**	**13,369.92**

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The Company has not distributed dividend to its shareholders.No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022, 31 March 2021 and 1 April 2020.

Note 46 Liqidity Coverage Ratio Disclosure
Disclosure as per circular no.RBI/2019-20/88 DOR.NBFC(PD)CC. No.102/03.10.001/2019-20 dated November 04,2019 issued by Reserve Bank of India on "Liquidity Coverage Ratio(LCR)
Liqidity Coverage Ratio Disclosure **3.68**

Note 47 Other RBI Related Disclosure
Disclosures pursuant to RBI Notification – RBI/2019-20/220 DOR.No.BP.BC. 63/21.04.048/2019-20 dated 17 April 2020 SMA/ overdue categories, where the moratorium /deferment was extended

(₹ in lakhs)

Particulars	31st March, 2022	31st March, 2021
Amount in SMA/Overdue categories	2224.45	8794.72
Respective amounts where asset classification benefit was extended	979.83	5143.29
Provision made in terms of paragraph 5 of the circular (As per paragraph 4, applicable to NBFC's covered under Ind AS) (as of March 31, 2022/March 31, 2021)**	148.96	19.89
Provision adjusted against slippages in terms of paragraph 6 of the circular	148.96	19.89

Accompanying notes to the financial statements for the year ended March 31, 2022

NOTE 48: Additional Disclosure as per Schdule III
1. Expenditure in foreign currency - Nil, Previous year Nil.
2. Earnings in foreign currency - Nil, Previous year Nil.
3. Information on related parties as required by Accounting Standard (AS)-18– Related Party Disclosures:
 a. Holding/subsidiary companies –NA
 b. Associates –NA

c. Key Management Personnel –
a) Manish K Shah Directors
a) Nikita M Shah Directors
a) Kirit R Shah Directors
d) Monil M Shah Directors
d) Jay Mota Chief Financial Officer
f) Bhavisha Jain Company Secretary

d. Entities / Person(s) controlling – Manish K Shah, Nikita M Shah and Monil M Shah

4. Expenditure in Corporate Social Responsibility - NA

(₹ in lakhs)

Particulars	2021-22	2020-21
Unspent amount (opening Balance)	-	-
Gross amount required to be spent during the year	29.28	27.18
Amount approved by the Board to be spent during the year		
Amount Spent during the year	30.00	27.50
Unspent amount (Closing Balance)		

5. Disclosure under the Micro,Small and Medium Enterprises Development Act 2006 to the extent the Company has received intimation from parties under the Act.

Particulars	31st March, 2022	31st March, 2021
(I) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
Principal amount due to Micro and small enterprises		
Interest due on above but not claimed by the parties		
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii)The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(iv)The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v)The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

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Accompanying notes to the financial statements for the year ended March 31, 2022

6. Pursuant to the amendments to Schedule III vide MCA circular dated March 24, 2021, the following ratios are presented:

Particulars	Numerator	Denominator	2021-22	2020-21	Variance	Remarks
(a) Current Ratio	Total current assets	Total current liabilities	2.59	2.62	(1%)	
(b) Debt-Equity Ratio,	NA	NA	NA	NA	NA	
(c) Debt Service Coverage Ratio,	NA	NA	NA	NA	NA	
(d) Return on Equity Ratio,	Profit after tax	Total share holder's Equity	6.23%	6.46%	(3%)	Due to Covid Pressure Business was impacted
(e) Inventory turnover ratio,	NA	NA	NA	NA	NA	
(f) Trade Receivables turnover ratio,	NA	NA	NA	NA	NA	
(g) Trade payables turnover ratio,	NA	NA	NA	NA	NA	
(h) Net capital turnover ratio,	NA	NA	NA	NA	NA	
(i) Net profit ratio,	Profit after tax	Total operating sales	8.88%	8.72%	2%	Overall ratio Maintained as Management try to cut shot their Fixed Cost Expenses
(j) Return on Capital employed,	Profit before tax and finance costs	Total share holder's Equity	7.89%	8.44%	(7%)	Due to Covid Pressure Business was impacted
(k) Return on investment	Income generated from invested funds	Investment	NA	NA	NA	

Charge Details:

There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.

7. Title deeds of immovable property not held in the name of the company:

All Title Deed of the Property is in the name of Company

Relevant line item in the Balance Sheet	Description of an item of property	Gross Carrying Value	Title deeds held in the name of	TD Holder-Promoter, Director or relative of P/D or employee of P/D	Property held since which date	Reason for not being held in the name of the company (also indicate if in dispute)
PPE Investment in property PPE retired from active use and held for disposal Others	Land & Building Land & Building	178.71				

Land is in the name of Theme Infotech Pvt Ltd which is related party and on that Building was developed and on that land we are paying rent which in considerd Lease Ind AS 116.

8. Undisclosed Income:

No Undisclosed have been identified during the year

9. Revaluation of Plant, Property, and Equipment:

No Revaluation of PPE was performed during the year

10. The Company is not declared as wilful defaulter by ant bank or financial institution or other lenders.

11. There are no transactions with the Struck off Companies under Section 248 or 560 of the Companies, Act 2013.

12. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company under the Benami Transactions Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

13. The Company has not traded or invested in crypto currency or virtual currency during the year.

MANBA FINANCE LIMITED
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Accompanying notes to the financial statements for the year ended March 31, 2022

14. The Company being an non-banking finance company, as part of its normal business, grants loans and advances to its customers, other entities and persons ensuring adherence to all regulatory requirements. Further, the company has also borrowed funds from banks, financial institutions in compliance with regulatory requirements in the ordinary course of business.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

15. The Company has regrouped, reclassified and restated previous year figures to confirm to this year's presentation.

For M/s ATMS & Co LLP
Chartered Accountants
Firm registration number - W100164

Sd/-
SUHAS S SHINDE
(Partner)
M.No 117107

For and on behalf of the Baord of
Manba Finance Limited

Sd/-
MANISH K. SHAH
(MANAGING DIRECTOR)
DIN -00979854

Sd/-
MONIL M. SHAH
(DIRECTOR)
DIN -07054772

Sd/-
JAY K. MOTA
(CHIEF FINANCIAL OFFICER)

Sd/-
BHAVISHA A. JAIN
(COMPANY SECRETARY)

Place : Mumbai
Date : 23/07/2022

MANBA
FINANCE

Registered Office : 324, Runwal Heights,Opp. Nirmal Lifestyle,
L. B. S. Marg, Mulund (West), Mumbai 400 080, Maharashtra.

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Thane 400604, Maharashtra.

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