



AKME
FINTRADE (INDIA) LIMITED.

LEADING WITH
Responsibility

ANNUAL REPORT

2021-22



26th ANNUAL
REPORT



CORPORATE INFORMATION

BOARD OF DIRECTORS ▶

Mr. Nirmal Kumar Jain
Chairman, Chief Executive
Officer & Managing Director

Mr. Rajendra Chittora
Executive Director

Mr. Kailash Jain
Executive Director

Mr. Ramesh Kumar Jain
Executive Director

Ms. Ragini Pamecha
Non Executive Director

INDEPENDENT BOARD ▶

Mr. Subhash Jain
Non Executive Independent Director

Mr. Amrit Singh Rajpurohit
Non Executive Independent Director

Mr. Rajesh Jain
Non Executive Independent Director

KEY MANAGERIAL PERSONNEL ▶

Ms. Rajni Gehlot
Chief Financial Officer

REGISTERED OFFICE ▶

Akme Business Center
4-5 Subcity Center, Savina Circle, Udaipur 313002, Tel: 0294-2489501
Email: cs@akmefintrade.com | Web : www.akmefintrade.com

MUMBAI OFFICE ▶

11/C Kamgar Nagar, S.G. Barve Marg, Near Kamnagar
Bus Stand , Kurla, Mumbai- 400024
Tel: 022-25229132, +91-369-64740-45
E: rameshjain@akmefintrade.com

LEAD BANKERS ▶

Bank of Baroda (BOB)

Main Branch, Town hall, Udaipur -313001

State Bank of India

SME Branch, 4-C, Riddhi Siddhi Complex,
Madhuban Udaipur-313001

Au Small Finance Bank Limited

19-A Dhuleshwar Garden Jaipur - 302001

SECRETARIAL AUDITOR ▶

Ronak Jhuthawat & Co.

328, Samriddhi Complex , 3rd Floor,
Above Udaipur Urban Co operative Bank,
Opp Krishi Upaz mandi, Sector 11 Main
Road Udaipur 313001

Tel: +91-9887422212

Email Id: csronakjhuthawat@gmail.com

STATUTORY AUDITOR ▶

Valawat & Associates

432-433, 2nd Floor, S.M. Lodha Complex,
Near Shastri Circle, Udaipur-313001

Tel: +91 -9414161934

Email: valawat@yahoo.co.in

REGISTRAR AND TRANSFER AGENTS ▶

Big Share Services Private Limited

302, Kushal Bazar, 32-33, Nehru Place,
New Delhi-110019

Tel: 011-42425004, 011-47565852

Email: bssdelhi@bigshareonline.com

DEPOSITORIES ▶

National Securities Depository Limited (NSDL)

Trade World, 4th Floor, Kamala Mills, Compounds,
Senapati Bapat Marg, Lower Parel, Mumbai-
400,013

Central Depository Services Limited (CDSL)

17th floor, P J Towers, Dalal Street,
Mumbai 400001

DEBENTURE TRUSTEE ▶

Beacon Trusteeship Limited

4, C & D, Siddhi Vinayak Chambers, MIG Cricket
Club, bandra East Mumbai - 400051

STOCK EXCHANGE ▶

BOMBAY STOCK EXCHANGE (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai
- 400001 Tel : +91-22-22721233/4

E: corp.commn@bseindia.com

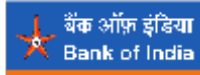
OUR PARTNERS



बैंक ऑफ बरोडा
Bank of Baroda



State Bank of India
With you - all the way



बैंक ऑफ इंडिया
Bank of India



ای ٹی ایف



The Power of Distribution



NABKISAN FINANCE LIMITED



MONEYWISE Financial Services



A WINNING RELATIONSHIP



Hinduja Leyland
Finance



Maanaveeya Development
& Finance Private Limited



MARSAMUDHI FINANCE LIMITED

CAPRI GLOBAL
CAPITAL LIMITED

Unlocking potential, Empowering people



BMW Financial Services



ECLAR LEASING & FINANCE PRIVATE LTD.
Money become easy...



701

719

583

429

305

403

513

290

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STANDALONE FINANCIAL STATEMENTS

AKME HAIN TOH BHAROSA HAIN

It is a matter of great honor and utmost satisfaction that we got this amazing opportunity of being associated with you and being worthy of your trust over the past 25 years. During this period, we have been through seasons of growth, and challenges. However, it is our response to the adversity, not the adversity itself, that determines how our story develops. We, at Akme Fintrade (India) Limited (AFIL), are the outcome of the choices that we make in our journey and we have always focused on growing the right way to build a resilient financial institution."

We embarked on our journey 25 years back, to be a changemaker in Rajasthan's drive for financial inclusion. Opportunities were aplenty, challenges were no less. Today, as we look back and introspect, there is a humbling sense of accomplishment in building an organisation that has not only stood the test of time, but has also made a difference to the lives of millions.

Crises have come and gone, reshaping operating landscapes, and putting our resilience to test. We have emerged stronger out of every adversity on the strength of our character that we have built over the years, driven by the guiding principles of prudence (samajhdaari), sensibility (zimmedari), and honesty (imaandaari).

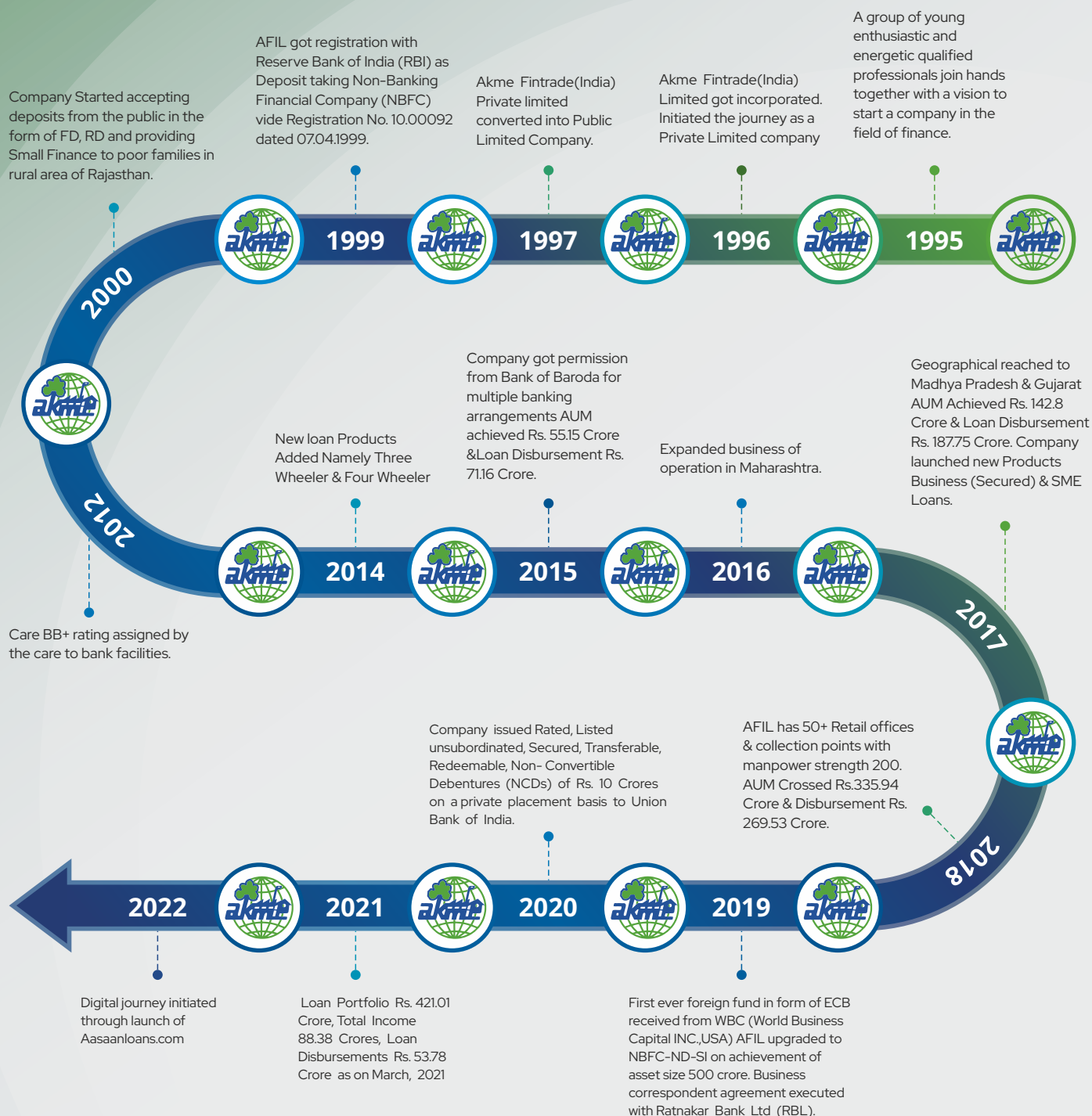
Our story, woven around the hinterlands of India, is now spreading into super metros and urban areas with customer centricity at the heart.

When faced with the current challenges, we believe "This too shall pass."



HISTORY

Decades of Resilient Growth



MISSION

- To promote a work culture that fosters individual growth, team spirit and creativity to overcome challenges and attain goals.
- To encourage ideas, talents, and value systems.
- To uphold the guiding principle of trust, integrity and transparency in all aspects of interactions and dealings.

VISION

To be a leading financial service provider in the semi urban and rural section, by being the most preferred and trusted financial institution, excelling in customer service delivery through commitment, caring and empowered employees to transform rural lives and drive positive change in the communities.

OUR VALUE

We value professional and personal integrity above all else. We achieve our goals by being honest and straightforward with all our stakeholders. We earn trust with every action, every minute of every day.

PASSION : We play to win. We have a healthy desire to stretch, to achieve personal goals and accelerate business growth. We strive constantly to improve and be energetic in everything that we do.

QUALITY : We take ownership of our work. We unfailingly meet high standards of quality in both what we do and the way we do it. We take pride in excellence.

RESPECT : We respect the dignity of every individual. We are open and transparent with each other. We inspire and enable people to achieve high standards and challenging goals. We provide everyone equal opportunities to progress and grow.

RESPONSIBILITY : We are responsible corporate citizens. We believe we can help make a difference to our environment and change lives for the better. We will do this in a manner that benefits our size and also reflects our humility.

SEEKING EXCELLENCE : We strive for perfection and excellence in all that we do and it is this motto that has led to the sustained growth of AFIL, regardless of upheavals in the economic environment. The sincerest efforts of every member of the AKME family to uphold these values shows in the treatment of customers and employees, while dealing with investors and clients and above all, in the supportive and inspiring environment we work in.



TEAMWORK & COLLABORATION

The AFIL way is to 'do it better together!' We believe in the collaborative approach; each person finds their niche in the company and the best manner in which to serve its needs, rather than chasing individual gains. Teamwork brings out the best in people and at AFIL, we feel that positive, constructive and efficient collaboration can ensure success.



PROFESSIONAL LEADERSHIP

The management team is led by qualified and experienced visionaries, who are supported by competent professionals. AFIL is chaired by Mr. Nirmal Kumar Jain, Chartered Accountant by Profession, an industry expert with more than 25 years of experience in the Finance industry,



GEOGRAPHIC FOOTPRINT

The Company commenced its journey from Udaipur, Rajasthan, in 1995 and is now present in 5 states of India, covering Rajasthan, Maharashtra, Gujarat, Madhya Pradesh & Odisha. During the journey AFIL added 69 branches till March 31, 2021.



DIFFERENTIATED MODEL

AFIL is selected to serve the needs of finance customers in the low and middle income segments of sub-urban and rural India, contrary to the industry preference of servicing customers in metro cities and urban clusters. AFIL could have addressed large, visible and conventionally credit worthy loan seekers instead the company chose to focus on customers excluded from the country's formal banking system on account of their inadequate documents for income validation.



ACCOUNTABILITY & OWNERSHIP

Accountability is all about answerability; the willingness to accept a task and be responsible for completing it to the best of one's abilities. Ownership, on the other hand, requires not only taking onus of the task at hand, but responsibility for the outcome of it, whatever that may be while workload and responsibilities are often shared at AFIL, each person feels completely accountable for the job they do. Employee diligence and dedication form the very foundation on which happy, successful companies are built.



HUMAN CAPITAL

AFIL comprises dedicated and qualified professionals like Chartered Accountants, Company Secretaries, Lawyers and MBAs from reputed institutions enhancing a culture of outperformance.

OUR OFFERINGS



**LOAN TO
PRIORITY SECTOR**



PERSONAL LOAN



BUSINESS LOAN



EQUIPMENT FINANCE



WORKING CAPITAL LOAN



CORPORATE LOAN



EDUCATION LOAN



COMMERCIAL LOAN



RETAIL LOAN



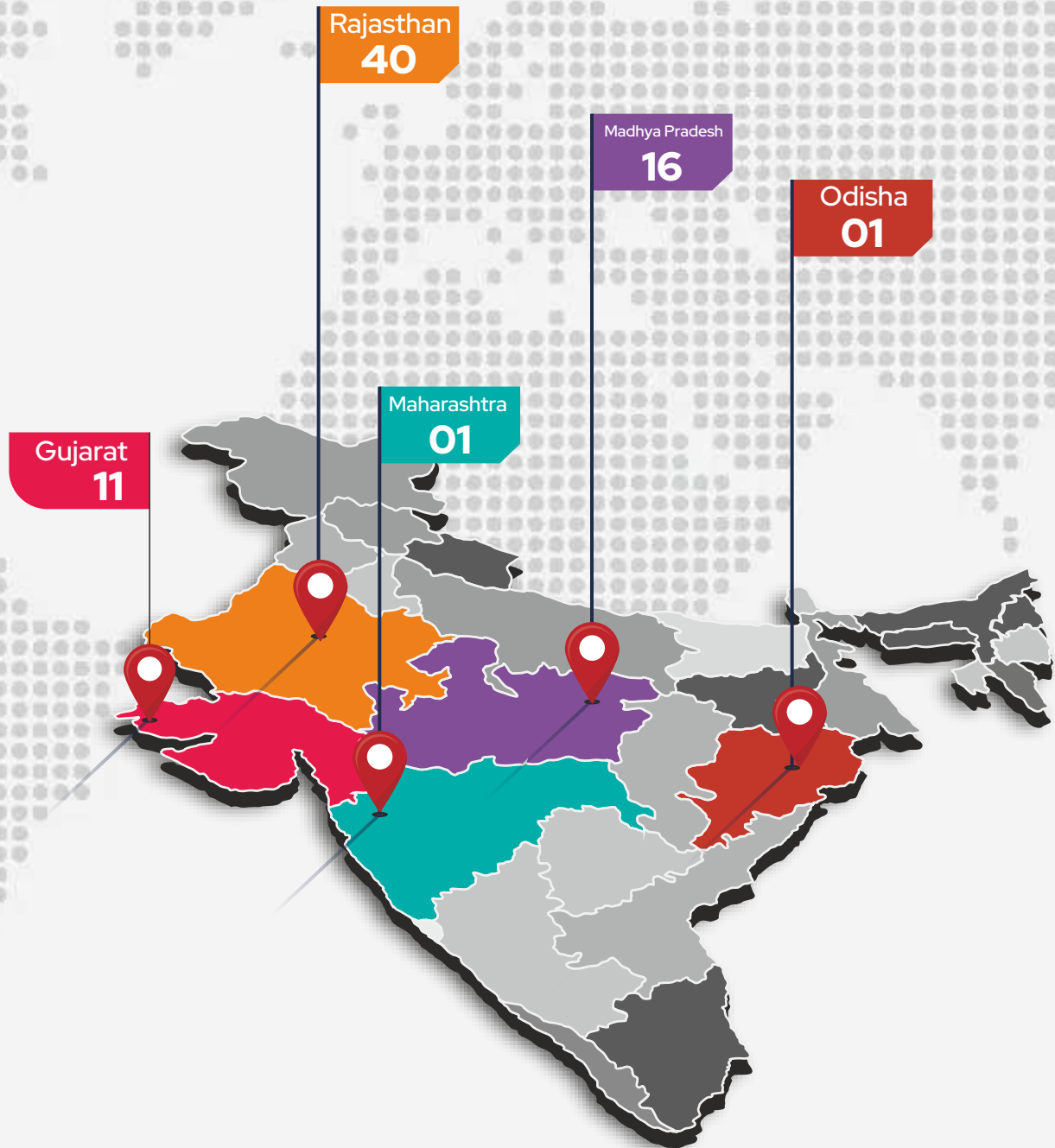
**COMMERCIAL/
NON-COMMERCIAL
VEHICLE LOAN (2/3/4 WHEELER)**



**WOMEN EMPOWERMENT
LOAN**

EXTENSIVE BUSINESS NETWORK

Extensive 69 Business Network with Presence in 5 States (Rural, Semi-Urban & Urban Locations).



KEY HIGHLIGHTS

351.32 Cr
ASSET UNDER MANAGEMENT

19.54 Cr
DISBURSEMENT

67.5 Cr
GROSS REVENUE

230.06 Cr
BORROWINGS OUTSTANDING

137.85 Cr
NET WORTH

7.8 Cr
PBT

4.33 Cr
PAT

374.02 Cr
TOTAL ASSET

1.98 Rs.
EPS

35.06 %
CRAR %

8.57 %
RETURN ON EQUITY

12.75 %
COST OF BORROWING

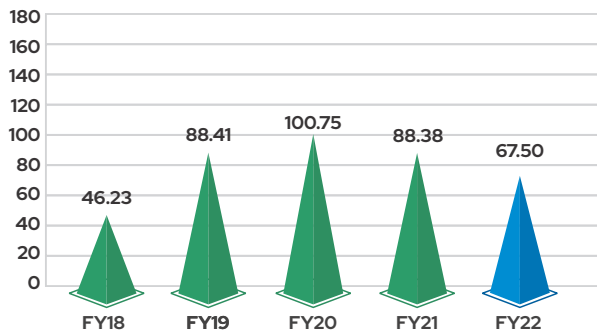
36.71 %
OPERATIONAL EFFICIENCY



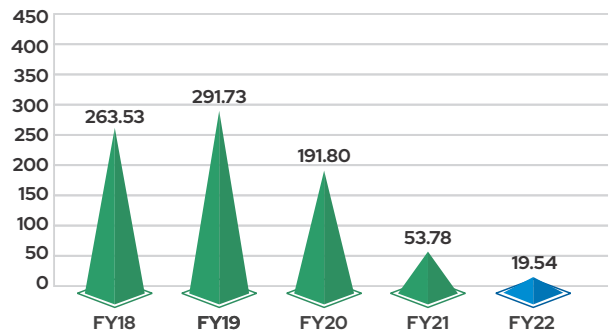
FINANCIAL INDICATOR

A CONSISTENT PERFORMANCE TRAJECTORY

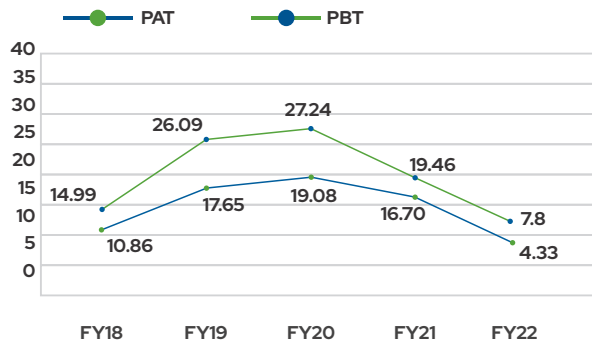
GROSS REVENUE (Rs. In Crore)



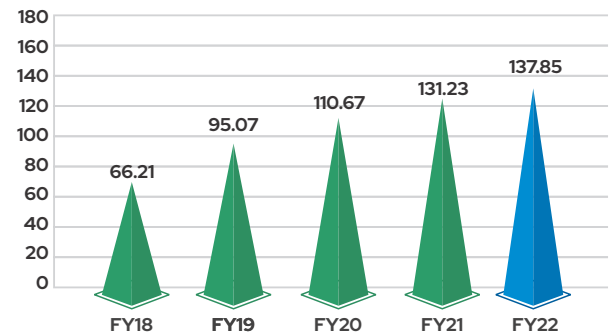
DISBURSEMENT (Rs. In Crore)



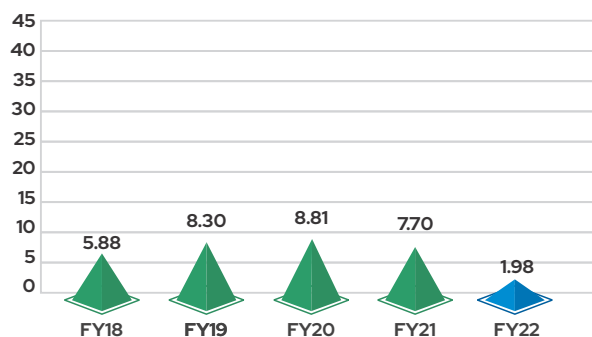
PAT-PBT (Rs. In Crore)



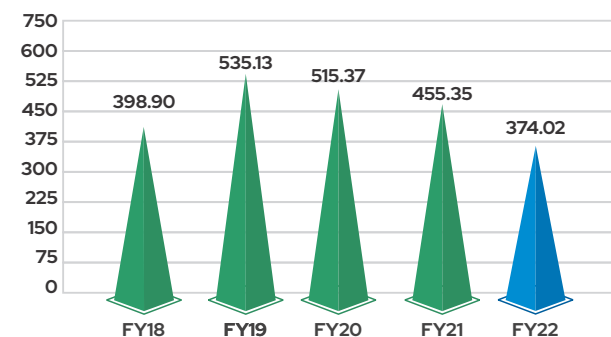
SHAREHOLDER'S FUND (Rs. In Crore)



Earning Per Share (In Rs.)

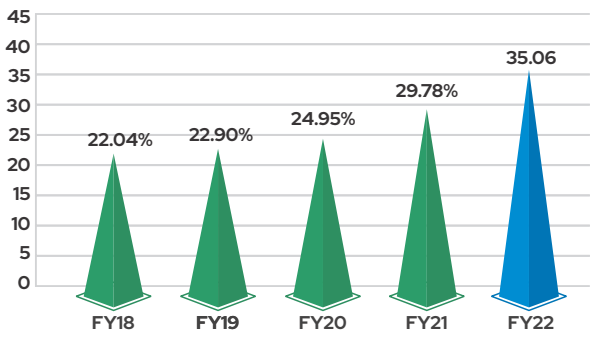


TOTAL ASSETS (Rs. In Crore)

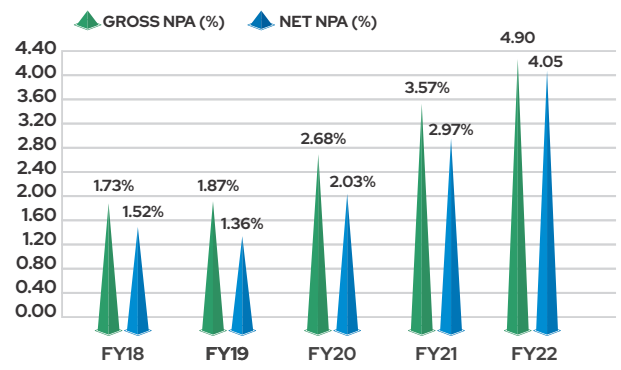


A CONSISTENT PERFORMANCE TRAJECTORY

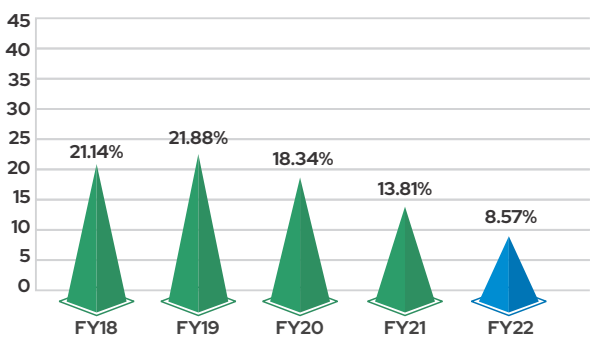
CRAR (%)



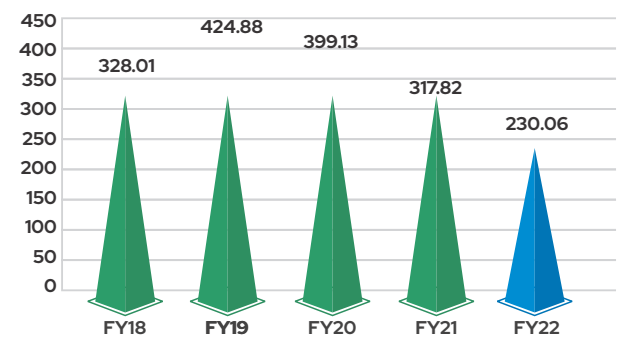
NPA (%)



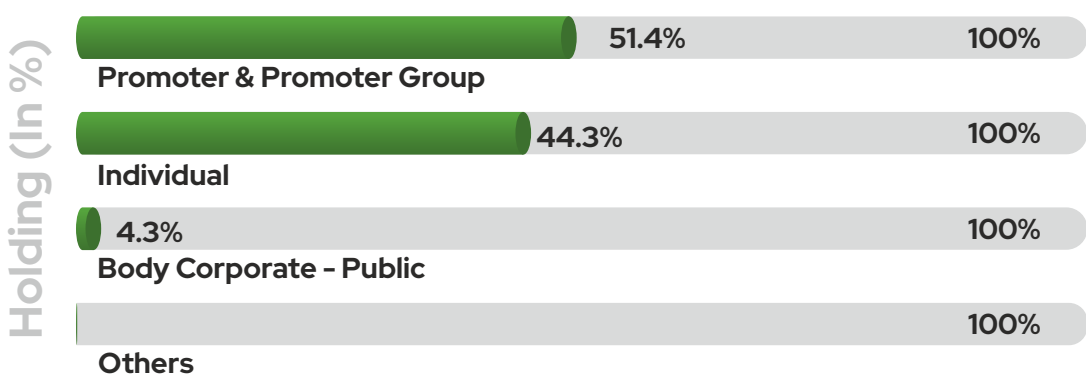
RETURN ON EQUITY (%)



Borrowings O/s (Rs. In Crore)



Shareholding as on March, 2022



BOARD OF DIRECTORS

MR. NIRMAL KUMAR JAIN

CHAIRMAN, CEO (KMP) &
MANAGING DIRECTOR
(DIN: 00240441) _____

Mr. Nirmal Kumar Jain has been one of the foremost proponents of asset finance in India. He has more than 25 years of experience in the finance and development terrain. He with his close associates founded Akme Fintrade (India) Limited in 1995. He is a Qualified Chartered Accountant. Company under his leadership, commenced its transformational journey, reaching out to customers across the length and breadth of the Country. With his focus on business excellence and industry development, he has played a significant role in shaping policy guidelines on matters relating to the mortgage finance industry. His dynamic initiatives at AFIL have been pioneering for the industry.



BOARD OF DIRECTORS

MR. RAJENDRA CHITTORA

EXECUTIVE DIRECTOR
(DIN: 08211508)

Mr. Rajendra Chittora is a qualified Executive Manager with more than two decades of experience in the auto/CV/CD/TW finance companies. He also has ample experience of fund raising and equity participation in current organization. He has done Msc in Electronics and MBA in Business Development from University of Udaipur.



MR. KAILASH JAIN

EXECUTIVE DIRECTOR
(DIN: 02030996)

Mr. Kailash Jain Executive Director, he is having good experience of vehicle business. Sale business operations of the company as well looking. He is having a Masters in Business Administration.



MR. RAMESH KUMAR JAIN

EXECUTIVE DIRECTOR
(DIN: 07441707)

Mr. Ramesh Kumar Jain did his Masters in Marketing & Finance from University College of Udaipur. He is appointed as an Executive Director of the Company in Year 2016. Currently he is handling Maharashtra Region Business and looking after all the activities of Mumbai Office.



BOARD OF DIRECTORS

MR. SUBHASH JAIN

**NON- EXECUTIVE INDEPENDENT DIRECTOR
(DIN: 07951661)**

Mr. Subhash Jain is a Chartered Accountant from ICAI. Currently he is a owner of a Marble Indsutry. He is having more than 20 Years of experience in this industry. Mr. Jain's vast knowledge in Finance & Accounts is guiding the company from last 2 years.



MS. RAGINI PAMECHA

**NON-EXECUTIVE DIRECTOR
(DIN: 07953539)**

Mrs. Ragini Pamecha, holds degree in P.hd (Gold Medalist), M.Com, B. Com and is currently working as a Teacher Consulting. She is having a vast 7 year experience in education field. She is appointed as Non-Executive Director.



MR. RAJESH JAIN

**NON-EXECUTIVE INDEPENDENT DIRECTOR
(DIN: 02021972)**

Mr. Rajesh Jain is Post Graduate and Doctorate from University of Udaipur. Mr. Jain joined as Non-Executive Independent Director on the board in the Year 2009. He is having experience in the marketing sector. He has provided with ideas for promotion of products and guided company in field of marketing.



BOARD OF DIRECTORS

MR. AMRIT SINGH RAJPUROHIT
NON-EXECUTIVE INDEPENDENT DIRECTOR
(DIN: 02173432)

Mr. Amrit Singh Rajpurohit, is the Non-Executive Independent Director of our Company. He has a vast experience in mineral industries and development of land. He is an active social worker and is associated with various NGOs.



KEY MANAGERIAL PERSONNEL

MS. RAJNI GEHLOT
CHIEF FINANCIAL OFFICER

Ms. Rajni Gehlot, is a qualified Chartered Accountant and CFO of the Company. Having 9 years of financial leadership experience and knowledge of all aspects to explore opportunities in Finance. Experience in policy & process development and plan execution. Further deeply involved in software planning and its implementation and handled all legal aspects and compliances of RBI and Treasury Management.



CHAIRMAN'S FOREWORD



Mr. Nirmal Kumar Jain

Chairman, Chief Executive Officer
& Managing Director

I hope that this finds you well and your loved ones are safe and in good health. I want to begin by extending my heartfelt gratitude towards the medical fraternity and governments across nations for their contribution and resilience during the Covid-19 pandemic. A multitude of initiatives were undertaken by the governments towards the disaster management and addressing the economic disruptions. The timely rollout of vaccinations, stringent measures to curb the spread of the virus and effective medical recourses offered to patients have helped the world in gradually coming close to normalcy.

The last two years were probably the most challenging in history as the eruption of the pandemic brought about a set of completely unprecedented challenges. It is fair to say that none of the economies across the globe were immune to the disruptions it brought forth, including India.

However, I am pleased to say that I am extremely optimistic about the fact that the worst is behind us now. India demonstrated remarkable resilience, validated by the fact that it grew by 8.9% during CY2021-2022, the fastest among major global economies. This was only made possible due to the widescale vaccination campaign across the country, easing of Covid restrictions in a phased manner, and proactive policy response from the Government of India and Reserve Bank of India (RBI).

Despite the emergence of unprecedented headwinds, we continued on our trajectory of delivering consistent performance. During the year under review, our loan assets under management decreased to Rs. 35132.00/-

Lacs, compared to Rs. 42101.00/- Lacs in the previous year.

Our total revenue during the year decreased by 23.62% to Rs. 6750.217/- Lacs compared to Rs. 8837.78/- Lacs in the previous year, whereas our profit after tax Rs. 432.81/- Lacs compared to Rs. 1669.68/- Lacs in the previous year.

We feel these numbers demonstrate the resilience imbibed within the organisation, considering the culmination of headwinds that we had to endure during the year. We have been growing consistently over the years as a company and I am pleased to say, as a result of our concerted efforts over the years, we have been able to reach a net worth of Rs. 13784.77/- Lacs and achieve an Earnings per Share of Rs. 1.98/- as on 31st March, 2022.

I can assure that anyone who has been associated with the organisation can vouch that for us, generating profits is not our sole motive, but doing it in a way that brings about a transformation in people's lives.

Our responsibility towards our valued shareholders, who have placed their trust in the Company has always been of paramount importance to your Board of Directors. Your support and encouragement are critical to your company's success. The Board and the executive leadership recognise their responsibility towards delivering value for your investment in us.

We look forward to the future with renewed optimism as AFIL is focused on measurable outcomes. Our Future plans offers a clear roadmap and we believe that we have a bright opportunity ahead of us. Our targets are set, as we get ready to explore and create more milestones ahead. We owe a debt of gratitude to all the employees for helping build your Company and its businesses. We could not have done this without our shareholders and the communities we operate within. I envision greater achievements for your Company in the years to come and look forward to a successful year ahead.

Sd/-

Nirmal Kumar Jain

Chairman, Chief Executive Officer
& Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC AND INDUSTRY OVERVIEW

Global Economic Overview

The corona virus pandemic, or COVID-19, continued to have an impact on the global economy in 2021 and the war in Ukraine set back the global recovery. In Calendar Year (CY) 2021, the global economy growth is estimated at 6.1% compared to contraction by 3.3% in CY2020 and growth of 2.8% in CY2019. The global trade growth was projected at 10.1% in CY2021 as we came out of pandemic and static recovery supported by rebound in merchandise volumes but was restricted by subdued cross-border service trades. The war in Ukraine has further increased commodity prices and intensified supply disruptions, adding to inflation, resulting in sharp rise in interest rates and increase in asset price volatility since the beginning of CY2022.

These changes are occurring faster than previously expected even as many parts of the global economy, particularly countries with low vaccination rates must contend with continued strain on health care systems because of the pandemic.

War-induced commodity price increase and broadening price pressures have led to inflation projections of 5.7% in advanced economies and 8.7% in emerging market and developing economies.

The International Monetary Fund's (IMF) recent report on World Economic Outlook projects 3.6% growth for the global economy in CY2022, which assumes that the conflict remains confined to Ukraine, further sanctions on Russia exempt the energy sector, and the pandemic's health and economic impacts abate over the course of CY2022.

Indian Economic Overview

The outbreak of COVID-19 had a significant impact on the social and economic situation in India, putting its collective resilience to test. The Indian economy, which was recuperating well in early 2021 after the onset of COVID-19, was again impacted by the gruelling second wave of the pandemic. To alleviate the impact of the second wave and revive businesses, the government had undertaken active measures and unveiled a range of macro-level reforms while developing a robust vaccination strategy. These initiatives played a pivotal role in the country's economic recovery. The measures combined with the pace of vaccinations enhanced the country's economic prospects considerably.

The GDP growth during Financial year (FY) 2021-22 is estimated at 8.9% as against a contraction of 6.6% in FY 2020-21. For India, with a strong growth in agricultural output in FY 2021-22, going forward, adequate policy support for investment and consumer spending was expected to strengthen the growth momentum. The scenario, however, has been reshaped by the Russia Ukraine war, the economic fallout of which has affected the overall global growth and price conditions sharply.

India, which covers nearly 80% of its oil needs through imports, possibly faces a widening trade deficit, a weaker rupee and higher inflation after crude prices spiked above \$100 a barrel, in such a scenario, growth seen as the main concern.

The IMF, in its latest World Economic Outlook report, forecast India's FY23 gross domestic product growth to 8.2%. Additionally, the country's CPI-based inflation is seen at 6.1% in FY23. While, as per the recent report by RBI, the real GDP growth for 2022-23 is projected at 7.2 per cent, with Q1 at 16.2 per cent; Q2 at 6.2 per cent; Q3 at 4.1 per cent; and Q4 at 4.0 per cent, with risks broadly balanced.

Industry Overview

NBFC Sector India has a diversified financial services sector undergoing rapid expansion. Expansion is in terms of strong growth of existing financial services firms and new entities entering the market.

The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). These measures include launching Emergency Credit Line Guarantee Scheme (ECLGS) for MSMEs, issuing guideline to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency (MUDRA). With a combined push by Government and private sector, India is undoubtedly one of the world's most vibrant capital markets.

After facing challenges in the past few years following the default by some NBFCs leading to liquidity challenges and then the COVID-19 pandemic, there was a visible growth in credit uptake in FY 2021-22, with agricultural and industrial sectors along with personal loans driving the uptick. Falling gross non-performing asset (GNPA) ratios in the industry sector contributed to a significant rise in lending to this sector. NBFCs have healthier balance sheets and provisions compared to the levels seen in 2018.

In absence of any negative event, NBFCs would see normalization of business activities, it would begin the year with sufficient capital buffers, stable margins, and sizeable on-balance sheet provisioning. Also, the adequate system liquidity would aid funding. Nevertheless, an expected increase in systemic interest rates and asset quality issues in some segments due to the lagged impact of pandemic would be a drag on the operating performance.

On 4 May, 2022, RBI increased the repo rate to 4.4 % from 4.0 % earlier while the cash reserve ratio (CRR) has been hiked by 50 basis points to 4.5%. The RBI governor cited the geo-political tensions, high crude oil prices and shortage of commodities globally, as factors behind the rate hike. The RBI has changed the key lending rate after two years. The repo rate was cut last time in May 2020, and it was kept unchanged since then.

As per ICRA report, NBFC disbursements grew sequentially in Q3 FY2022 (quarter-on-quarter; QoQ) while housing finance Company (HFC) disbursements were flat and lower than the peak of Q4 FY2021. HFCs faced competition from other lenders, especially banks. Consequently, the sequential AUM growth for NBFCs was seen to be the highest in the last 11 quarters, while the HFC AUM growth rate dipped marginally.

For Retail NBFCs, the disbursement growth is expected to remain healthier aiding in sustained AUM growth. NBFC-Retail credit and HFC credit are estimated to grow at 5-7% and 8-10%, respectively, in FY2022, while the growth would improve to 8-10% and 9-11%, respectively, in FY2023.

Company Overview:

Akme Fintrade (India) Limited (hereinafter referred as "AFIL" 'the Company') is an Udaipur based diversified Non-Banking Finance Company (NBFC) registered with the Reserve Bank of India (RBI). Incorporated in 1996, the Company is engaged in providing specialized retail financing services to the lower income and middle-income groups of the society. Since over two decades, the Company primarily caters to the financially under served masses spread across urban, semi-urban, and rural areas in the formal and informal sectors. The Company offers a wide range of retail finance products such as micro enterprise loans, SME loans, two-wheeler loans, used car loans and commercial vehicle loans to satisfy the varied needs of customers. A highly experienced management team, huge borrower base, diverse product mix, efficient liability management, and a well-spread branch network underpin the operations of the Company.

Distribution Network

The Company has established a strong distribution network and believes in offering best-in-class services at the doorstep of its customers. The Company has presence across Gujarat, Maharashtra, Rajasthan, Madhya Pradesh and Odisha around 69 branches.

The well-entrenched network enables the Company to serve underserved masses and capture a significant share of the untapped demand in the hinterlands ensuring last-mile delivery of credit. AFIL is focussed on catering to the borrowing needs of lower income and middle income groups of the society spread across urban, semi-urban and rural areas, in the formal and informal financial sectors.

Till 31st March, 2022, AFIL has catered to more than 5,00,000 customers through its robust network of 69 business networks.

OVERVIEW OF COMPANY'S PERFORMANCE

In a volatile economic environment, the Company focussed on capital preservation, collections, stringent operating expenses management and strengthening Balance Sheet. The new initiatives undertaken by the Company continue to show positive impact in all areas during the current year.

Disbursements and Loan Assets

The disbursements for the year Decreased/increased from Rs. 5378.00/- Lacs in FY2020-21 to Rs. 1954.00/- Lacs in FY 2021-22. The

decrease was mainly due to entire focus on recovery and collection of loan.

The focus of the Company was on maintaining the portfolio quality and focussing more on credit tested customers. Total Loan Assets as on 31 March, 2022 stood at Rs. 35132.00/- Lacs against Rs. 42101.00/- Lacs for the previous year.

OPPORTUNITIES & THREATS

Opportunity

- Brand recognition among lower income and middle income groups of the society spread across urban, semi urban, and rural areas.
- Operates in under penetrated business segment with huge growth potential.
- Successful track record of catering to the MSME sector.
- Initiatives by the Government to further boost MSME sector.
- Untapped credit needs of MSME segment.
- Consolidation and shift towards digital and organized space.
- Upward trend of digital adoption, favorable demography dividend and low financial inclusion.

Threats

- Sharper monetary tightening.
- Rise in competitive intensity.
- External political risk.
- New Entries in same space with Digitisation.
- Unpredictable policy changes by the Government.
- Higher exposure to semi-formal and informal sector customers.

OUTLOOK

The role of NBFCs in the larger financial sector is expected to gain in strategic importance. As these enterprises begin to cater more deeply to the financial needs of the hitherto overlooked or under-served segments of the population, their market share and product range will expand. The segment that they are targeting is immense and they have only begun to scratch the surface. Being predominantly digital natives, there is already a trend towards greater use of digital tools and technology amongst NBFCs in their processes and customer outreach. This will enhance their efficiency parameters, going forward.

Additionally, as NBFCs cater to those at the bottom of the pyramid, both at the individual as well as enterprise level, it is assumed that while their clients rise in economic status, they will continue to patronise the financiers that have introduced them to the formal financial sector, assuming that they receive good service and suitable products. Within this evolving scenario, AFIL has clarity on the path ahead with respect to its approach to Asset Creation and Liability Management.

DIRECTOR'S REPORT

Dear Members,

Your Directors take pleasure in presenting their 26th Annual Report together with the Audited Statement of Accounts and the Auditor's Report of your Company for the Financial Year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS OF THE COMPANY

The Financial performance of your company for the year ended 31st March, 2022 is summarized below:

Particulars	(Rs. in Lakhs)	
	2021-22	2020-21
Revenue from Operations	6486.940	8575.26
Other Income	269.577	262.51
Gain/ Loss on derecognized financial asset	-6.30	-
Total Income	6750.217	8837.78
Less : Finance Cost	3492.63	4798.51
Employee Benefit Expenses	716.84	821.64
Impairment of Financial Instruments	1016.29	771.47
Depreciation and Amortisation expenses	69.49	65.27
Overhead	675.09	435.35
Total Expenses	5970.34	6892.24
Profit Before Tax	779.88	1945.54
- Current tax	252.59	434.09
- Deferred Tax	94.48	(158.23)
Net Profit	432.81	1669.68
Net Profit attributable to the owners of the Holding Company	-	-
Profit Brought Forward	4760.01	5590.85
Effect of changes in Group's interest	-	-
Profit Available for Appropriation	432.81	1669.68
APPROPRIATIONS:		
Transfer to reserve u/s 45-IA of RBI Act, 1934	86.56	1516.58
Interim Dividend on Equity Shares	-	-
Dividend Distribution Tax on Equity Shares	-	-
Surplus carried to BS	5106.26	4593.5

A. LENDING OPERATIONS:

The Loan disbursement of the Company as at the end of Financial Year 2022 was Rs. 1954.00 Lacs as compared to 5378.00 Lacs in the previous year.

B. NET OWNED FUNDS:

The Net Owned Funds (NOF)/ Net worth of your Company is worth Rs. 13784.77 Lacs as on March 31, 2022 as against Rs. 13123.47 Lacs during the previous year.

C. EARNINGS PER SHARE (EPS):

The Company's aim of maximizing Shareholders wealth is clearly reflected in the growth of Earnings per Share (EPS) viz Rs. 1.98 at March 31, 2022 as against Rs. 7.70 as at March 31, 2021.

D. ASSET UNDER MANAGEMENT (AUM)

The AUM of the company stood at Rs. 35132.00 Lacs as at March 31, 2022 as against Rs. 42101.00 in the previous financial year.

2. DIVIDEND

Your Directors feel that it is prudent to plough back the profit for future growth of the Company and do not recommend any dividend for the year ended 31st March, 2022.

3. SHARE CAPITAL

- **Authorized Share Capital**

During the year under review the authorized share capital of the company is Rs. 25,00,00,000/- divided into 2,50,00,000 Equity Share of Rs. 10/-each. After the year end the Company has increased authorized share capital to Rs. 35,00,00,000/-divided into 3,50,00,000 Equity Share of Rs.10/-each in its extraordinary general meeting held on 27th June 2022.

- **Issued and Paid-up Capital**

The Issued and Paid Up Equity Share Capital as on 31st March 2022 was Rs. 21,81,65,060. During the year under review, the Company has not issued any securities.

4. THE PROPOSED AMOUNTS TO CARRY TO ANY RESERVES

During the year the Company has not transferred any amount to General Reserves and has transferred Rs. 86.56 lacs to Special Reserve. The company have Rs. 11603.12 Lacs in account of Reserves and surplus.

5. THE STATE OF THE COMPANY'S AFFAIRS

The company has adopted the various business excellence models, quality management system (QMS), Environmental management system (EMS), The Company's committed efforts towards improving efficiency and service level in its operations.

6. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

7. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of the business of the Company during the year under review.

8. SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the regulators or courts or tribunals impacting the Company's going concern status and future operations.

9. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

Pursuant to Section 186(11) of the Companies Act, 2013, the provisions of Section 186 of the Companies Act, 2013, except sub-section (1), do not apply to a loan made, guarantee given, security provided or investment made by a finance company in the ordinary course of business.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company comprises of Eight [8] Directors of which Three [3] are Executive Directors; ; One [1] is Non-Executive Director, One [1] is Managing Director & Chief Executive Director & Three [3] are Non-Executive Independent Director as on March 31, 2022 who bring in a wide range of skills and experience to the Board.

The composition of the Board of Directors of the Company as under:-

Composition of the Board:

Sr.No.	Name of the Director	Designation	DIN
1	Mr. Nirmal Kumar Jain	Managing Director & Chief Executive Officer	00240441
5	Mr. Kailash Jain	Executive Director	02030996
6	Mr. Ramesh Kumar Jain	Executive Director	07441707
7	Mr. Rajendra Chittora	Executive Director	08211508
8	Ms. Ragini Pamecha	Non-Executive Director	07953539
9	Mr. Rajesh Jain	Non-Executive & Independent Director	02021972
10	Mr. Subhash Jain	Non-Executive & Independent Director	07951661
11	Mr. Amrit Singh Rajpurohit	Non-Executive & Independent Director	02173432
KMP'S:			
3	Ms. Rajni Gehlot	Chief Financial Officer	BGEPG8519D

Change in the Board:

During the year following changes took place in the Board of Directors.

Sr. No.	Name of the Director	Designation	Appointment/Resignation	Date of Event
1	Mr. Nirmal Kumar Jain	Chief Executive Officer (CEO)	Appointment	04.01.2022
2	Dr. Rekha Jain	Non-Executive & Independent Director	Resignation	31.12.2021
3	Mrs. Pushpa Nagda	Executive Director	Resignation	30.08.2021
4	Mr. Praveen Kumar Jain	Executive Director	Resignation	30.08.2021
5	Mr. Dipesh Jain	Chief Executive Officer (CEO)	Resignation	02.09.2021
6	Mr. Bansilal Champalal Jain	Executive Director	Resignation	07.03.2022
7	Mrs. Anjali Pacholi	Company Secretary & Compliance Officer	Resignation	31.03.2022

Retirement of Director by Rotation

In accordance with the provisions of Section 152 (6) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), Mr. Rajendra Chittora (DIN:08211508) Executive Director of the company is liable to retire by rotation at the ensuing 26th Annual General Meeting and being eligible offers himself for reappointment.

11. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have confirmed that they satisfy the criteria prescribed for Independent Directors as stipulated in the provisions of Section 149(6) of the Act. The names of all the Independent Directors of the Company have been included in the Independent Directors data bank maintained by Indian Institute of Corporate Affairs (IICA). The Company has obtained declaration of independence from all the Independent Directors of the Company that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 and as amended by the Companies (Amendment) Act, 2017, which have been relied upon by the Company and were placed at the Board Meeting. None of the Directors has any pecuniary relationship or transactions with the Company.

None of the Directors of the Company are related to each other. They have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Act and are not debarred from holding the office of Director by virtue of any SEBI order or any other such authority. In the opinion of the Board, the Independent Directors fulfill the necessary criteria for independence as stipulated under the statutes.

The Board has formed the opinion that the Independent Directors have requisite expertise and experience required by the Company based on their skills, knowledge and competencies.

12. AUDITORS

- **Statutory Auditors**

At 25th Annual General Meeting of the Company held on 30th September, 2021, the members had appointed M/S Valawat & Associates, Chartered Accountants (FRN:003623C) as the Statutory Auditors of the Company for a period of 5 years i.e. up to the Conclusion of Annual General Meeting of the Company to be held in the year 2026.

The Company has received consent from the Statutory Auditors and confirmation to the effect that they are not disqualified to be appointed as the Statutory Auditors of the Company in terms of the provisions of Companies Act, 2013 and Rules framed there under.

- **Secretarial Auditors**

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Ronak Jhuthawat & Co., a firm of Practicing Company Secretaries was appointed as Secretarial Auditors of the Company. The secretarial auditors have submitted their report for fiscal year 2022 and the report contain qualification which is self explanatory. The report of the Secretarial Auditors is enclosed as Annexure -II to this report.

13. COMMENTS ON AUDITOR REPORT

The Comments made by M/s Valawat & Associates, Auditors of the company in their Auditors reports read with relevant notes thereon are self-explanatory in nature and hence do not call for any further comments under section 134 of Companies Act, 2013.

The Comments made by M/s Ronak Jhuthawat & Co, Secretarial Auditors of the company in their reports are self-explanatory in nature and hence do not call for any further comments under section 204 of Companies Act, 2013.

14. COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of provisions of Section 118 of the Companies Act, 2013, the Company is in compliance with Secretarial Standards on Meetings of the Board of Directors and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India (ICSI).

15. PERSONNEL

The Company had 160 (including on contract) employees at March 31, 2022. The Company, during the COVID-19 pandemic

lockdown, to safeguard employees' health and safety, enabled work from home (WFH) facility for all employees and ensured continuous employee engagements and awareness for tracking their health and safety. The Company also aided and supported in case any employee or his/her family members tested positive for COVID-19 and home quarantine facility and medical assistance.

The disclosure as required 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 fiscal 2021 is given in **Annexure-IV**.

16. LOANS FROM BANKS:

As part of its liability management, the Company endeavors to diversify its resource base in order to achieve an appropriate maturity structure and minimize the cost of borrowed funds. For requirement of more Working Capital, the company has approached various Bankers including Existing Bankers and Financial Institutions and the details of Loan sanctioned and disbursed by the Bank and Financial Institutions are more particularly given in Notes forming part of the Financial Statement.

17. CAPITAL ADEQUACY:

Your Company's stand-alone capital adequacy ratio was at 35.07% on 31st March, 2022, which we believe provides an adequate cushion to withstand business risks and is above the minimum requirement stipulated by the RBI.

18. CREDIT RATING:

The Company has been assigned Credit Rating from Acuite Rating & Research Limited.

SR.NO.	FACILITIES	LIMITES (IN CR)	TENURE	RATING
1	Fund Based (Bank Facilities)	150	Long Term	ACUITE BB+ (Acuite Double B) Outlook- Stable
2	Non-Convertible Debentures	20	Long Term	ACUITE BB+ (Acuite Double B) Outlook- Stable

19. INTERNAL CONTROL AND ITS ADEQUACY

The Company has adequate internal controls and processes in place with respect to its financial statements, which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are implemented through various policies, procedures and certifications which commensurate with the size and nature of the Company's business. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

These systems provide reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with Company's policies.

20. RBI GUIDELINES AND CODES:

The Company has been following the various Circulars, Notifications and Guidelines issued by Reserve Bank of India (RBI) from time to time. The Circulars and the Notifications issued by RBI are also placed before the respective committees at regular intervals along with the compliance of the same.

21. THE RBI NORMS AND ACCOUNTING STANDARDS

To comply with RBI directions, your company has closed its Book of accounts for the full year ending March 2022, and your Company continues to comply with the directives issued as well as the norms prescribed by Reserve Bank of India for NBFCs.

22. BSE COMPLIANCES

The Company has submitted various returns and reports as required quarterly/ half yearly/ yearly in accordance with the prescribed guidelines.

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

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

A) Conservation of energy:

The Company does not fall under any of the industries covered by the Companies (Disclosure of particulars of Directors) Rules, 1988.

B) Technology absorption:

Your company has implemented a next generation, core virtual solution, with the purpose of aligning itself with the fast-growing technology evolution and leveraging operational capabilities, while reducing the time taken for whole loan process.

With inter-connection of different branches with the head office in a safe, secure and reliable 360 cloud platform.

For the aforesaid purpose, your company has signed-up with Jaguar Software India (Mobility Solutions) in 2019-2020 and customized it with the practical needs to area of operation of company, which results in following benefits:

1. Digitization of documents.
2. Centralization of all branches with corporate/registered office.
3. Speed-up the loan process.
4. Single-Click Report Generation.
5. Inter-departmental solution (robust the collaboration).
6. Android / ios app-based system for field staff to submit initial documents and verification remarks.
7. Saving cost in logistics, handling, printing, and mitigating risk of physical movements.
8. Improves the quality of credit analysis
9. Secured and Safe cloud-based system with end to end encryption.
10. Predefined roles with maker-checker concept, with final approval authority to Managing Director/Authorized Personnel.
11. Keeping of Digital trails which can keep the whole loan process details in one click and useful during audit(s) and tracing purpose.
12. Simplification of work flow, with regular MIS.

Jaguar Software India as a service provider / software vendor will provide applicable upgrades and latest security protocols.

Your company and its software vendor conducts its IT audit through external agencies at regular intervals. The scope of IT audit is to identify the areas of risk, check vulnerabilities & cyber security etc. at periodic intervals. The external agencies suggestions and recommendations are reported to the Audit Committee & implemented wherever feasible.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Your company does not have any foreign exchange earnings and outgo during the year under review, However Company has obtained External Commercial Borrowings in earlier years and EMI, Interest of the Loan has been paid in foreign currency during the year.

24. RELATED PARTY TRANSACTIONS

There were no materially significant related party transactions i.e. transactions of material nature, with its promoters, directors or

senior management or their relatives etc., that may have potential conflict with the interest of company at large. Transactions entered with related parties, as defined under the Companies Act, 2013 during the Financial Year 2021-22 were mainly in the ordinary course of business and on an arm's length basis.

Details of RPT in Form AOC-2 attached to Board Report may also be referred to and marked as **Annexure-I**.

25. ARM'S LENGTH PRINCIPLES

The transactions between the Company and its group companies are to be undertaken on an arm's length basis. The following broad principles shall be adhered to at the time of undertaking such transactions:

- a) All transactions shall have the substantive characteristics of a transaction between independent parties.
- b) The transactions shall be entered into in a need based manner and shall be based on principle of impartiality.
- c) The pricing for specific transactions shall be at market related rates and would be benchmarked against comparable quotes for similar transactions in the market between independent parties.
- d) The transactions shall comply with all statutory/regulatory guidelines, internal policy norms and procedures (including appropriate documentation) applicable to such transactions, if engaged with independent parties with similar background.

26. WEblink OF ANNUAL RETURN AND/OR EXTRACT OF ANNUAL RETURN

The Annual Return as required under section 92 and section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website.

27. A RISK MANAGEMENT POLICY OF THE COMPANY

Financing activity is the business of management of risks, which in turn is the function of the appropriate credit models and the robust systems and operations.

Your Company continues to focus on the above two maxims, and is always eager to improve upon the same. Your Company continues to give prime importance to the function of receivables management, as it considers this the ultimate reflection of the correctness of marketing strategy as well as appraisal techniques.

The Board of Directors has adopted a risk management policy for the Company which provides identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

The Company has in place a Risk Management Policy and introduced several measures to strengthen the internal controls systems and processes to drive a common integrated view of risks, optimal and mitigation responses. This integration is enabled through a dedicated team and Risk Management, Internal Control and Internal Audit systems and processes.

28. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

29. NUMBER OF MEETINGS

A. Board meeting

A total of 7 (Seven) Board Meetings were held during the Financial Year ended 31st March 2022. The maximum gap between any two Board Meetings was less than one 120 days:

S. No.	Date of Board meeting	Total No. of Directors associated as on the date of meeting	No. of Directors Attended
1	21.06.2021	12	11
2	14.08.2021	12	8
3	30.08.2021	10	7
4	13.11.2021	10	7
5	04.01.2022	9	7
6	14.02.2022	9	8
7	21.03.2022	8	4

Independent directors Meeting:

S. No.	Date of meeting	Total No. of Directors associated as on the date of meeting	No. of Directors Attended
1	30.03.2022	3	3

B. General Meeting

S. No.	Date of meeting	Total No. of Members associated entitled to attend meeting	No. of Members Attended
1	30.09.2021	156	23

C. Committee Meetings

No. of Committees 4

Name of the Committee			
	Date of meeting	Total No. of Directors associated as on the date of meeting	No. of Directors Attended
Audit Committee	14.08.2021	3	3
	13.11.2021	3	3
	14.02.2022	3	3
	21.03.2022	3	3
Nomination & Remuneration Committee	30.08.2021	3	3
	04.01.2022	3	3
Stakeholder's Relationship Committee	18.06.2021	3	3
	30.08.2021	3	3
	20.12.2021	3	3
	24.03.2022	3	3
Corporate Social Responsibility Committee	10.12.2021	3	3

30. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

The Company does not have any subsidiary, associate and joint venture company within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013 and no new subsidiary, associate and joint venture company was formed during the year under review.

31. DETAILS OF DEBENTURE TRUSTEES

As per SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Debenture Trustees are as under.

Name	Beacon Trusteeship Limited
Address	4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club, Bandra (East) Mumbai Ma400051IN
Contact details	9324724943

32. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- a. that in the preparation of the Annual Financial Statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the Annual Financial Statements have been prepared on a going concern basis;
- e. that proper Internal Financial Controls were in place and that the financial controls were adequate and were operating effectively;
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

33. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with the applicable provisions of the Master Direction issued by the Reserve Bank of India a detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

34. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

A. TRAINING & DEVELOPMENT

In the field of Human Resource Development, your company stresses on the need to continuously upgrade the competencies of its employees and equip them to keep abreast of latest developments in the sector. The Company operates in a knowledge intensive business and is committed to enhancing these skills of its employees. In order to achieve

this, the Company has an annual training plan to assess the various training needs. Necessary professional skills are also imparted across all levels of employees through customized training interventions.

B. HUMAN RESOURCE MANAGEMENT

Your Company lays great emphasis on upgrading the skills of its Human Resource. It benchmarks its practices with the best practices being followed in the corporate world. This, apart from other strategic interventions, leads to effective management of Human Resource thereby ensuring high level of productivity. Your Company enjoys a very cordial and harmonious relationship with its employees.

C. WELFARE MEASURES

Your Company follows good management practices to ensure welfare of its employees through a process of inclusive growth & development. The Company follows an open door policy whereby the employees can access the top management thereby contributing in the management and growth of the company. Commitment of the workforce is ensured through an effective package of welfare measures which include comprehensive insurance, medical facilities and other amenities which in turn lead to a healthy workforce.

35. OPPORTUNITIES & THREATS

Most of the NBFCs Customer profile is concentrated either in unorganized sector or on the self-employed segment, NBFCs have also ventured into riskier segments such as real estate, unsecured loans, purchase finance for used commercial vehicles, etc. These factors increase their risk profile which could have adverse impact on the financial health of NBFCs and have immense business potential from the segment untapped by commercial banks. The changes in the regulatory frame work have made NBFCs very competitive and responsible. The Reserve Bank of India (RBI) has introduced guidelines under which bank loans to NBFCs are not considered priority-sector loans, which reduces incentives from banks to lend directly to NBFCs and will increase the latter's funding costs. Access to stable funding from banks, institutional investors and capital markets is a key factor in the stable outlook on the sector, and any disruption in funding access could lead to negative growth as well as rating action.

36. MAINTENANCE OF COST RECORDS:

The provision of section 148 of the Act relating to maintenance of cost records and cost audit are not applicable to the Company. Hence, Company is not maintaining Cost records.

37. DEPOSITS (SECTION 73 OF THE COMPANIES ACT 2013)

Your Company is a non-deposit taking Company. The Company has not accepted any deposit during the year under review. The Company has passed a resolution for non-acceptance of deposits from public.

38. APPLICATION OR PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

According to the 2016 Insolvency and Bankruptcy Code, no such application has been made.

39. ACKNOWLEDGMENTS

Your Directors thank the various departments like MCA, Registrar of Companies, various Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

FOR, AKME FINTRADE (INDIA) LIMITED

S/d-
NIRMAL KUMAR JAIN
MANAGING DIRECTOR
DIN: 00240441

S/d-
RAJENDRA CHITTORA
DIRECTOR
DIN: 08211508

PLACE: UDAIPUR
DATE: 31.08.2022

ANNEXURE I

FORM NO. AOC.2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
 - (a) Name(s) of the related party and nature of relationship: N.A.
 - (b) Nature of contracts/arrangements/transactions: N.A.
 - (c) Duration of the contracts/arrangements/transactions: N.A.
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
 - (e) Justification for entering into such contracts or arrangements or transactions: N.A.
 - (f) Date(s) of approval by the Board: N.A.
 - (g) Amount paid as advances, if any: N.A.
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.

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

NAME OF RELATED PARTY	NATURE OF RELATIONSHIP	NATURE OF CONTRACTS	TERM/ DURATION OF CONTRACTS	OUTSTANDING VALUE (31.03.2022)	DATE OF APPROVAL BY BOARD/ MEMBER	AMOUNT AS ADVANCES/ SECURITY DEPOSIT
Hiraman Construction - Heera Lal Jain	KMP's Relative is a member	Term Loan	3 Years 5 Months	20,85,000/-	17-05-2019	NIL
Laxmi Marble And Steel Corportion	KMP's Relative is a member	Term Loan	3 Years	89,691/-	26-05-2018	Nil
Laxmi Marble And Steel Corportion	KMP's Relative is a member	Term Loan	3 Years	89,692/-	26-05-2018	Nil
Laxmi Marble And Steel Corportion	KMP's Relative is a member	Term Loan	3 Years	89,692/-	26-05-2018	Nil
Laxmi Marble And Steel Corportion	KMP's Relative is a member	Term Loan	3 Years	89,690/-	26-05-2018	Nil
HeeraLal Malvi	KMP's Relative is a member	Term Loan	3 Years	85,15,948/-	17-05-2019	Nil

NAME OF RELATED PARTY	NATURE OF RELATIONSHIP	NATURE OF CONTRACTS	TERM/ DURATION OF CONTRACTS	OUTSTANDING VALUE (31.03.2021)	DATE OF APPROVAL BY BOARD/ MEMBER	AMOUNT AS ADVANCES/ SECURITY DEPOSIT
Manju Jain	KMP's Relative of MD	Term Loan	NA	-	17-05-2019	Nil
Akme Automobiles Pvt Ltd.	KMP is Director	Term Loan	NA	57,89,627.67/-	17-05-2019	Nil
Akme Buildmart Pvt Ltd.	Director Relative is a member	Term Loan	NA	11,64,045/-	17-05-2019	Nil
The Coronation Castles Pvt.ltd.	Director Relative is a member	Term Loan	NA	-	17-05-2019	Nil

For, and on behalf of the Board

S/d-
NIRMAL KUMAR JAIN
MANAGING DIRECTOR
DIN: 00240441

S/d-
RAJENDRA CHITTORA
DIRECTOR
DIN: 08211508

PLACE: UDAIPUR
DATE: 31.08.2022

ANNEXURE -II

FORM MR-3 SECRETARIAL AUDIT REPORT

(For The Financial Year Ended March 31ST, 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
Akme Fintrade (India) Limited
Akme Business Centre (ABC), 4-5 Subcity Centre Savina
Circle, Opp. Krishi Upaz Mandi, Udaipur -313002

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Akme Fintrade (India) Limited** (hereinafter called "**The Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing 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 **01.04.2021 to 31.03.2022**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Akme Fintrade (India) Limited** for the period ended on 31.03.2022 according to the provisions of:

1. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder; (**Not Applicable to the Company during the Audit Period**)
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (**Not Applicable to the Company during the Audit Period**)
 - b. The 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.
- 5. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings;
- 6. Rules, regulations, directions and guidelines issued by the Reserve Bank of India as are applicable to the Company;

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

- (i) Secretarial Standards pursuant to section 118 (10) of the Act, issued by The Institute of Company Secretaries of India.
- (ii) Listing Agreement entered into by the Company with BSE Limited (for Debentures) as per SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

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

I further report that:

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director and Independent Directors except appointment of One Independent Director. The changes in the composition of the Board of Directors, Non-Executive Directors and Independent Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
- B. Adequate notice was given to all 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 unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be;
- D. Bombay Stock Exchange (BSE) have imposed monetary penalty for non-compliance with Regulation 54 (2) & 52(1) of SEBI (LODR) Regulations, 2015, and the company has paid the penalty to BSE within stipulated time.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), I am of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

I further report that during the review period there were no other specific events/action having a major bearing on the Company 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, CP: 12094

Place: Udaipur
Date: 14.08.2022
Peer Review No: 1270/2021
UDIN: F009738D000794918

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

"ANNEXURE A"

To,
The Members

Akme Fintrade (India) Limited

Akme Business Centre (ABC), 4-5 Subcity Centre Savina
Circle, Opp. Krishi Upaz Mandi, Udaipur -313002

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

1. 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.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on 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.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. 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.
6. 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

Place: Udaipur
Date: 14.08.2022
Peer Review No: 1270/2021
UDIN: F009738D000794918

"Annexure – III"

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (b) of Sub-Section 3 of Section 134 of the Act and Rule 9 of The Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline on CSR policy of the Company

Corporate Social Responsibility is a Company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by business to behave ethically and contribute to economic development of the society at large. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed.

The Company may also undertake such CSR projects or programs proposed to be undertaken and the Company's CSR Policy is available at www.akmefintrade.com

2. The Composition of CSR Committee: The Company's CSR Committee consists of Two Executive Directors & One Non Executive Independent Director of the Company. The composition of the Committee is set out below:

S. No.	DIN	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	00240441	Mr. Nirmal Kumar Jain	Executive Director	1	1
2	02021972	Mr. Rajesh Jain	Non-Executive Independent Director	1	1
3	02030996	Mr. Kailash Jain	Executive Director	1	1

Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the companies (corporate social responsibility policy) rules, 2014, if applicable (attach the report): Not applicable

3. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the companies (Corporate Social Responsibility Policy) rules, 2014 and amount required for set off for the financial year, if any.

S. No.	Financial Year	Amount available for set-off from preceding Financial Years	Amount required to be set-off for the financial year, if any
1.	2020-21	Rs. 57,752/-	Rs. 57,752/-

4. Average net profit of the Company for last three financial years: Rs. 24,26,29,440.1/-

5. (a) Two per cent of average net profit of the company as per section 135(5): Rs. 48,52,588.80/-
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: nil
 (c) Amount required to be set off for the financial year, if any: Rs. 57,752/-
 (d) Total CSR obligation for the financial year (5a+5b-5c): Rs. 47,94,836.80/-

6. (a) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in lakh)	Amount Unspent (in lakh)				
	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
Rs. 50,00,000	Nil	-	-	Nil	-

(b) Details of CSR amount spent against ongoing projects for the Financial Year:-Nil

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

(1)	(2)	(3)	(4)	(5)		(6)			
S. no	Name of project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent on the projects (in Rs.).	Mode of Implementation -Direct (Yes/No)	Mode of Implementation through implementing Agency	
				State	District			Name	CSR Registration number
1	Shri Jagtbharti Education & Charitable Trust	Promoting education	No	Gujarat	Surendra Nagar	10,00,000/-	Direct	-	-
2	Aabhar Foundation	Promoting health care	No	Gujarat	Ahemdabad	40,00,000/-	Direct	-	-

(d) Amount spent in Administrative Overheads: Nil

(e) Amount Spent on Impact Assessment: Not Applicable.

(f) Total amount spent for the Financial Year: of Rs. 50,00,000/-

(g) Excess amount for set off, if any: Rs. 57752/-

S.no.	Particulars	Amount (in RS.)
1	Two percent of average net profit of the Company as per Section 135(5)	48,52,588.80/-
2	Total CSR obligation for the financial year 2021-22	47,94,836.80/-
3	Total amount spent for the Financial Year	50,00,000/-
4	Excess amount spent for the financial year [(ii)-(i)]	2,05,163.20/-
5	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
6	Amount available for set off in succeeding financial years	2,05,163.20/-

*This excludes an amount of Rs. 57752/-, being the amount set-off in FY 2021-22 from the excess spend of the preceding financial year

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

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
							-
Not Applicable							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (in Rs)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project -Complete / Ongoing
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)

- Date of creation or acquisition of the capital asset(s): Not Applicable
- Amount of CSR spent for creation or acquisition of capital asset: Not Applicable
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

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): Not Applicable

For, and on behalf of the Board

Sd/-

Nirmal Kumar Jain

Chairman, CSR committee

Date: 31.08.2022

Place: Udaipur

ANNEXURE IV

DETAILS OF MANAGERIAL REMUNERATION

Information under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The statement of disclosure of Remuneration under 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:

Ratio of remuneration of each Director of median remuneration of employee of the company for the FY-2021-22

S.No	Requirements	Remuneration																								
1	Ratio of remuneration of each Director of median remuneration of employee of the company For the FY 21-22	<table border="0"> <tr><td>1</td><td>Nirmal Kumar Jain</td><td>29.41</td></tr> <tr><td>2</td><td>Dipesh Jain</td><td>11.27</td></tr> <tr><td>3</td><td>Pushpa Nagda</td><td>0</td></tr> <tr><td>4</td><td>Praveen Kumar Jain</td><td>2.69</td></tr> <tr><td>5</td><td>Ramesh Jain</td><td>5.36</td></tr> <tr><td>6</td><td>Rajendra Chittora</td><td>2.97</td></tr> <tr><td>7</td><td>Rajni Gehlot</td><td>5.9</td></tr> <tr><td>8</td><td>Anjali Pacholi</td><td>1.64</td></tr> </table>	1	Nirmal Kumar Jain	29.41	2	Dipesh Jain	11.27	3	Pushpa Nagda	0	4	Praveen Kumar Jain	2.69	5	Ramesh Jain	5.36	6	Rajendra Chittora	2.97	7	Rajni Gehlot	5.9	8	Anjali Pacholi	1.64
1	Nirmal Kumar Jain	29.41																								
2	Dipesh Jain	11.27																								
3	Pushpa Nagda	0																								
4	Praveen Kumar Jain	2.69																								
5	Ramesh Jain	5.36																								
6	Rajendra Chittora	2.97																								
7	Rajni Gehlot	5.9																								
8	Anjali Pacholi	1.64																								
2	Percentage Increase/ (Decrease) in Remuneration of each director, CFO, CEO, CS, if any, in the Financial Year	<table border="0"> <tr><td>1</td><td>Nirmal Kumar Jain</td><td>5.26%</td></tr> <tr><td>2</td><td>Dipesh Jain</td><td>0.0%</td></tr> <tr><td>3</td><td>Pushpa Nagda</td><td>0.0%</td></tr> <tr><td>4</td><td>Praveen Kumar Jain</td><td>-58.33%</td></tr> <tr><td>5</td><td>Ramesh Jain</td><td>110.58%</td></tr> <tr><td>6</td><td>Rajendra Chittora</td><td>100%</td></tr> <tr><td>6</td><td>Rajni Gehlot</td><td>20.58%</td></tr> <tr><td>7</td><td>Anjali Pacholi</td><td>-0.88%</td></tr> </table>	1	Nirmal Kumar Jain	5.26%	2	Dipesh Jain	0.0%	3	Pushpa Nagda	0.0%	4	Praveen Kumar Jain	-58.33%	5	Ramesh Jain	110.58%	6	Rajendra Chittora	100%	6	Rajni Gehlot	20.58%	7	Anjali Pacholi	-0.88%
1	Nirmal Kumar Jain	5.26%																								
2	Dipesh Jain	0.0%																								
3	Pushpa Nagda	0.0%																								
4	Praveen Kumar Jain	-58.33%																								
5	Ramesh Jain	110.58%																								
6	Rajendra Chittora	100%																								
6	Rajni Gehlot	20.58%																								
7	Anjali Pacholi	-0.88%																								
3	The Percentage Increase in the median Remuneration of Employees in Financial Year	9.68%																								
4	No. of Permanent Employee on the roll of Company	159																								
5	Average percentile already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration.	The average percentage decrease in remuneration of all employees (other than Key managerial personnel's (KMP's) For the FY-2021-22) stood at 7.88% where as the average Percentage increase in the remuneration of KMP'S was at 5.41%																								
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is affirmed that the remuneration is as per the remuneration policy of the company																								

Note:

1. Calculation of remuneration have been made on comparable and annualized basis.
2. The remuneration of KMP's was taken from Audited Financial statement for F.Y. 2021-22.
3. Remuneration comprises of salary (Fixed and variable), allowances, perquisites/taxable Value of perquisites.

For, and on behalf of the Board

Sd/-
Nirmal Kumar Jain
Managing Director
DIN 00240441

Sd/-
Rajendra Chittora
Director
DIN 08211508

Registered office

AKME Business Center (ABC)
4-5 Subcity Center Savina Circle
Opp. Krishi Upaz Mandi Udaipur.313002

Date: 31.08.2022

Place: Udaipur

ANNEXURE V

REPORT ON CORPORATE GOVERNANCE

The report on Corporate Governance pursuant to the Companies Act, 2013 ("the Act") and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and forming part of the Directors' Report for Financial year 2022-23 is presented below:

Company's philosophy on Code of Governance

Akme Fintrade (India) Limited ("the Company") is committed towards achieving the highest standards of Corporate Governance by staying true to its core values of Customer First, Transparency, Integrity and Professionalism. The Company continually works towards implementing robust, resilient and best-in-class corporate practices in every facet of its operations, and in all spheres of its activities, thereby generating higher returns and maximizing shareholder value.

The COVID-19 pandemic has caused an unprecedented health and economic crisis across the globe. The severity of its impact on the economy and day-to-day life is still evolving. Companies have to be nimble-footed and continuously evolve their strategies to deal with the emergent challenges. The Board has played a critical role helping the Company navigate the issues brought on by the COVID-19 pandemic. The Board is responsive and their depth of experience helps the management team evolve measured responses to issues that come up. The board guided the management in implementing cost rationalization measures at every level and across every function of the Company.

Company's believes in adopting and adhering to the best standards of Corporate Governance. It consistently benchmarks itself against such standards. The Company duly acknowledges its fiduciary role and responsibility towards all of its Stakeholders including Shareholders; and strives hard to meet their expectations. The Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its engagements with the Stakeholders. It understands that best Board practices, transparent disclosures, ethical conduct of business and Shareholder's empowerment are necessary for creating sustainable Shareholder value.

Company's philosophy on Corporate Governance encompasses simple tenets of integrity, transparency, accountability and fairness in whatever the Company does and what it basically aims at achieving is a complete adherence to the applicable laws while at the same time ensuring complete commitment to values and the highest ethical standards in every facet of its operations and in each of its functional areas. This together with meaningful social activities has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates. In line with the nature and size of operations, the Corporate Governance framework of the Company, is based on the following main principles:

- Constitution of a Board of Directors of appropriate composition, size, varied experience and commitment to discharge their responsibilities and duties.
- Transparency and independence in the functions of the Board.
- Ensuring timely flow of information to the Board and its Committees to enable them to discharge their functions effectively.
- Independent verification and assured integrity of financial reporting.
- Timely and balanced disclosure of all material information concerning the Company to all stakeholders and protection of their rights and interests.
- A sound system of risk management, internal control, anti-bribery and anti-corruption business practices.
- Compliance with applicable laws, rules and regulations in letter and spirit.
- Number of Board and Committee meetings more than the statutory requirement, including meetings dedicated for discussing strategy, operating plans and risks.
- Board comprises of directors from diverse backgrounds and substantial experience, who are able to provide appropriate guidance to the executive management as required.
- Complete and detailed information provided to Board members in advance to enable them to evaluate matters carefully for meaningful discussions.

Your Company recognizes and embraces the importance of a diverse Board in its success which is enriched with appropriate balance of skills, experience, diversity of perspectives, thereby ensuring effective Board governance. The Board of Directors of your Company is at the core of the Corporate Governance practices and oversees how the management serves and protects the long-term interest of the Stakeholders. Your Company's Corporate Governance framework ensures that it makes timely and appropriate disclosures and shares factual and accurate information. Given below is the report of the Directors on Corporate Governance in accordance with the provisions of the SEBI LODR Regulations.

BOARD OF DIRECTORS

The Board of Directors of the Company plays a key role, as they oversee the functioning of the organization and ensure that it continues to operate in the best interest of all the stakeholders. Thus, the Company strives to keep its Board well-informed, independent and actively involved in the important decision-making process pertaining to the Company.

The Board of Directors represents the interest of Company Shareholders, in optimizing long-term Value by providing the Management with the guidance and strategic direction on the shareholder's behalf. The Board has a formal schedule of matters reserved for its consideration and decision, which includes reviewing corporate performance, ensuring adequate availability of financial resources, regulatory compliance, safeguarding the interest of shareholders and reporting to shareholders.

The Directors attend and actively participate in Board Meetings and meetings of the Committees in which they are Members. The Board's responsibilities include various matters, inter-alia, including:

- a) Overall direction of the Company's business, including projections on capital requirements, budgets, and revenue streams, expenses and profitability;
- b) Review of quarterly/annually results and its business segments.
- c) Compliance with various laws and regulations;
- d) Addressing conflicts of interest;
- e) Ensuring fair treatment of borrowers and employees;
- f) Ensuring information sharing with and disclosures to various Stakeholders, including investors, employees and regulators;
- g) Developing a corporate culture that recognizes and rewards adherence to ethical standards;

The Company has a broad-based Board of Directors, constituted in compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with highest standards of Corporate Governance in its management, which ensures an appropriate mix of Executive/Non-Executive and Independent Directors with demonstrated skill sets and relevant experience.

The Board members have professional knowledge and experience, in diverse fields viz. finance, banking, public policy and legal/judicial, thereby bringing about an enabling environment for value creation through sustainable business growth.

A. Composition of the Board

The Board of the Company represents an optimum combination of Executive and Non-Executive Directors as well as Independent Directors, who possess varied professional knowledge and experience in diverse fields like finance, banking, insurance, economics, corporate laws and administration. The Board of your company is headed by the Executive Director (designated as Chairman and Managing Director and Chief Executive officer).

The Board is expertise in making informed decisions, expediently with the bouquet of a variety of perspectives and skills that work together in the best interest of the Company.

The Board of Directors of the Company comprises of Eight [08] Directors of which Three [3] are Executive Directors; One [1] is Non-Executive Director, One [1] is Managing Director, Chief Executive Director, Three [3] are Non-Executive Independent Director as on March 31, 2022. The Company is in compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018 and other applicable provisions of the Companies Act, 2013, with regard to

composition of Board of Directors. None of the Director on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees, across all the companies in which he is a Director.

• **The Composition of the Board as on 31ST March, 2022 is given below:**

NAME OF DIRECTOR	CATEGORY OF DIRECTORS	DIN	NO. OF SHARES	Qualification/ Experience
Mr. Nirmal Kumar Jain	CEO(KMP) & Managing Director	00240441	5771970	CA, ICWA
Mr. Kailash Jain	Executive Director	02030996	146640	MBA
Mr. Ramesh Kumar Jain	Executive Director	07441707	100000	MBA
Mr. Rajendra Chittora	Executive Director	08211508	50000	MSC & MBA
Ms. Ragini Pamecha	Non-Executive Director	07953539	0	M. CHIL, M.Com
Mr. Rajesh Jain	Non-Executive & Independent Director	02021972	0	Doctorate(P.hd)
Mr. Subhash Jain	Non-Executive & Independent Director	07951661	7500	CA
Mr. Amrit Singh Rajpurohit	Non-Executive & Independent Director	02173432	10000	Graduate

- Resignation of Mrs. Pushpa Nagda & Mr. Praveen Kumar Jain from the post of Directorship of company w.e.f. 30.08.2021.
- Resignation of Mr. Dipesh Jain from the post of Chief Executive officer of company w.e.f. 02.09.2021.
- Resignation of Mrs. Rekha Jain for the post of Non- Executive Independent Directors of company w.e.f. 31.12.2021.
- Appointment of Mr. Nirmal Kumar Jain on the post of Chief Executive officer of the Company w.e.f 04.01.2022.
- Resignation of Mr. Bansilal Champalal Jain from the post of Directorship of company w.e.f. 07.03.2022.

B. Board diversity

In compliance with the provisions of the SEBI Listing Regulations, the Board through Nomination and Remuneration Committee ('NRC') has devised a policy on Board Diversity. The Board comprises of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The present composition broadly meets this objective. The directors are persons of eminence in areas such as profession, business, industry, finance, law, administration, research, banking, etc. and bring with them experience/skills which add value to the performance of the Board. The directors are selected purely on the basis of merit with no discrimination on race, colour, religion, gender or nationality.

C. Coreskills/expertise/competencies

Brief profile of directors is available on the website of the Company at www.akmefintrade.com. As stipulated under schedule V to the SEBI Listing Regulations, core skills/expertise/competencies as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

The Board of Directors of the company possess following Core skills/expertise/competencies:

- Management & Governance
- Financial Services
- Consumer behavior, sales, marketing and customer experience
- Technology and Innovation
- Understanding of accounting and financial statements
- Risk, Assurance and Internal Controls
- Regulatory, Public policy and economics
- Human Resource
- Business Transformation & Strategy

D. Directors' Profile

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process.

The details of the Directors, as at March 31, 2022, including the details of their board directorship reckoned in line with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, committee membership and their shareholding in the Company, are given below:

E. Directorships and Membership of the Directors in other Companies/Committees

All the Directors of the Company are compliant with the applicable provisions of Companies Act, 2013 and SEBI Listing Regulations to the extent applicable with respect to their number of Directorship in other Companies and chairmanship/membership on various Committees.

NAME OF THE DIRECTOR	DIN	*NUMBER OF DIRECTORSHIPS	MEMBER/CHAIRPERSON OF THE COMMITTEE	
			MEMBER	CHAIRPERSON
Mr. Nirmal Kumar Jain	00240441	2	1	0
Mr. Kailash Jain	02030996	3	1	0
Mr. Ramesh Kumar Jain	07441707	2	0	0
Mr. Rajendra Chittora	08211508	1	0	0
Ms. Ragini Pamecha	07953539	1	0	1
Mr. Rajesh Jain	02021972	1	2	0
Mr. Subhash Jain	07951661	1	0	1
Mr. Amrit Singh Rajpurohit	02173432	3	0	0

*Inclusive of directorships held in Private Limited Companies.

**Only Audit Committee and Stakeholders 'Relationship Committee has been considered.

F. Evaluation of Performance of Directors and Board

With the objective of enhancing the effectiveness of the board, the Nomination & Remuneration Committee formulated the methodology and criteria to evaluate the performance of the board and each director. The evaluation of the performance of the board is based on the approved criteria such as the board composition, strategic planning, and role of the Chairman, Non-Executive Directors and other senior management, assessment of the timelessness and quality of the flow of information by the company to the board and adherence to compliance and other regulatory issues.

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by Independent Directors, are set out below:

1. The Board of Directors of the Company is effective in decision making.
2. The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
3. The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.
4. The Board reviews the organization's performance in carrying out the stated mission on a regular basis.
5. The Board of Directors is effective in providing necessary advice and suggestions to the Company's management.

6. Is the Board as a whole up to date with latest developments in the regulatory environment and the market?
7. The information provided to Directors prior to Board Meetings meets your expectations in terms of length and level of detail.
8. Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.
9. The Board Chairman effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.
10. The Board appropriately considers internal audit reports, management's responses, and steps towards improvement.
11. The Board oversees the role of the Independent Auditor from selection to termination and has an effective process to evaluate the Independent Auditor's qualifications and performance.
12. The Board considers the Independent Audit plan and provides recommendations.

G. Board Meetings

The Company holds at least four Board meetings in a year, one in each quarter. Apart from the four scheduled Board Meetings, additional Board Meetings are also convened to address the specific requirements of the Company, as and when required. In case of urgency or business exigencies, matters are also approved by way of circular resolution as per the provisions of Companies Act, 2013 and subsequently noted at the next Board meeting.

The Functional/business heads of the Company periodically give presentations covering their respective operations, performance, plans and strategies and discuss the areas of improvements and prospective opportunities. The Agenda along with comprehensive notes and background material are circulated well in advance before each meeting to all the Directors. Presentations are made by the Senior Management on the Company's performance, operations, plans and other matters on a periodic basis. The proceedings of the meetings of the Board and its Committees are recorded in the form of minutes, which are circulated to the Board for perusal. The important decisions taken at the Board/Committee meetings are promptly communicated to the concerned departments. The information as given to the Board either as a part of the agenda of the meeting or by way of presentation during the meeting; inter alia includes:

- Minutes of various committees of the Board.
- Annual operating plans, budgets and business strategies and performance.
- Information on the exits and recruitments including the remuneration of senior officials just below the Board level.
- Significant transactions, related party transactions and arrangements.
- Update on non-fulfillment or defaults by the Company of any financial liability/obligations of material nature.
- Update on shareholders' grievance redressal process, significant regulatory matters.
- Risk evaluation and control mechanism.
- Details of investments and deployment of capital issue proceeds.

During the financial year **2021-22**, 7 (Seven) Board Meetings were held on 21.06.2021, 14.08.2021, 30.08.2021, 13.11.2021, 04.01.2022, 14.02.2022 & 21.03.2022 respectively. The details of the attendance of the Directors at the Board Meeting, No Sitting fees has been paid to any of the director. Attendance at the Annual General Meeting held during the year 2021-22 are as follows:

S. NO.	NAME OF THE DIRECTOR	NO. OF MEETING BOARD OF MEETINGS		SITTING FEES PAID	WHETHER ATTENDED LAST AGM HELD ON 30.09.2021 (Y/N)
		ENTITLED TO ATTEND	ATTENDED		(Y/N)
1	Mr. Nirmal Kumar Jain	7	7	0	Yes
2	Mr. Praveen Kumar Jain	2	2	0	Yes
3	Mr. Bansilal Champalal Jain	6	0	0	No
4	Mrs. Pushpa Nagda	2	1	0	No

S. NO.	NAME OF THE DIRECTOR	NO. OF MEETING BOARD OF MEETINGS		SITTING FEES PAID	WHETHER ATTENDED LAST AGM HELD ON 30.09.2021 (Y/N)
		ENTITLED TO ATTEND	ATTENDED		(Y/N)
5	Mr. Kailash Jain	7	5	0	No
6	Mr. Ramesh Kumar Jain	7	5	0	No
7	Mr. Rajendra Chittora	7	7	0	Yes
8	Ms. Ragini Pamecha	7	2	0	NA
9	Mr. Rajesh Jain	7	7	0	No
10	Mr. Subhash Jain	7	7	0	Yes
11	Mr. Amrit Singh Rajpurohit	7	5	0	No
12	Dr. Rekha Jain	4	1	0	NA

- Resignation of Mrs. Pushpa Nagda & Mr. Praveen Kumar Jain from the post of Directorship of company w.e.f. 30.08.2021.
- Resignation of Mr. Dipesh Jain from the post of Chief Executive officer of company w.e.f. 02.09.2021.
- Resignation of Mrs. Rekha Jain for the post of Non- Executive Independent Directors of company w.e.f. 31.12.2021.
- Appointment of Mr. Nirmal Kumar Jain on the post of Chief Executive officer of the Company w.e.f 04.01.2022.
- Resignation of Mr. Bansilal Champalal Jain from the post of Directorship of company w.e.f. 07.03.2022.

H. Independent Directors

Independent directors play a vital role in deliberations at the board meetings and bring to the Company their wide experience and knowledge in the fields of finance, housing, accountancy, law and public policy. This wide knowledge of both, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspectives. The Company benefits immensely from their inputs in achieving its strategic direction.

The Audit Committee, the Nomination & Remuneration Committee, the Stakeholders Relationship Committee have a majority of Non-Executive Directors. These committees function within the defined terms of reference in accordance with the Companies Act, 2013, the SEBI (LODR) Regulations, 2015 to the extent applicable and as approved by the board, from time to time. Board members ensure that their work in other capacities do not impinge on their fiduciary responsibilities as Directors of the Company.

All Independent Directors of the Company, at the time of their first appointment to the Board and thereafter at the first Board meeting of the Board in every Financial Year, give a declaration that they meet the criteria of independence as provided under the provisions of Section 149 of the companies Act, 2013. In the opinion of the Board, each Independent Director possesses the appropriate balance of skills, experience and knowledge as required.

- **Separate Meeting of the Independent Directors**

During the year, as per the requirement of Schedule IV of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on March 30th, 2022 without the attendance of Non-Independent Directors and members of the management. All 4 Independent Directors were present at the meeting, wherein they had inter alia; reviewed the performance of Non-Independent Directors and the Board as a whole; reviewed the performance of the Chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the company management and the Board.

I. Remuneration to Directors

• Non-Executive Directors

During the Year under review no remuneration has been paid to Non-Executive and Independent Directors.

There was no pecuniary relationship or transactions of the non-executive director's vis-à-vis the company during the Financial Year ended March 31, 2022.

• Executive Director

The Executive Directors of the Company have been appointed, in terms of the resolutions passed by the shareholders at the Annual General Meetings. Elements of the remuneration package comprise of salary, perquisites and other benefits are as approved by the members at the Annual General Meeting. Details of the remuneration paid to the Executive Directors during the year under review are provided in Annexure IV.

COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

The Committees of the Board meet at regular intervals and have the requisite subject expertise to handle and resolve matters expediently. The Board overlooks the functioning of the Committees. The Chairman of the respective Committees briefs the Board on significant discussions and decision taken at their respective meetings. Minutes of the Committee Meetings are placed in the subsequent Board Meeting for their noting.

A. Audit Committee

The Audit Committee has been constituted by the Company in terms of provisions of Section 177 of the Act and Regulation 18 read with Part D of Schedule II of SEBI LODR Regulations and is chaired by Non-Executive Independent Director.

At present the Audit Committee comprises of Three (3) Directors as its members, out of them two are Independent Directors and one is Executive Director. The composition of the Committee is in adherence to provisions of the Act, SEBI LODR Regulations and the Housing Finance Companies-Corporate Governance (National Housing Bank) Directions, 2016. All the Members of the Committee are financially literate and majority members including the Chairperson possess financial management expertise. The Company Secretary of the Company acts as Secretary to the Committee.

The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The functions of Audit Committee are:

The Board of Directors has formed and approved a charter for the Audit Committee setting out the roles, responsibilities and functioning of the Committee. In adherence to the provisions of the Act, and SEBI LODR Regulations to the extent applicable and all other applicable regulatory requirements, the terms of reference of the Audit Committee are covered by its charter. Its functioning inter alia broadly includes the following: Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of section 134 of the Companies Act.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly, half yearly and annual financial statements before submission to the board for approval.
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors on any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case the same exists.
- Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- To overview the Vigil Mechanism of the Company and take appropriate actions in case of repeated frivolous complaints against any Director or Employee.

Powers of the Audit Committee:

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it is considered necessary.

The Company holds a minimum of four pre-scheduled Audit Committee meetings annually, one in each quarter and the maximum time gap between two Audit Committee meetings is not more than One Hundred Twenty days.

The composition of the Audit Committee as at March 31, 2022 and details of the Members participation at the Meetings of the Committee are as under:

Name of Members	Category	Status	Attendance at the Audit Committee Meetings				
			14.08.2021	13.11.2021	14.02.2022	14.12.2001	21.03.2022
Mr. Subhash Jain	Non-Executive Independent Director	Chairperson	Yes	Yes	Yes	Yes	Yes
Mr. Rajesh Jain	Non-Executive Independent Director	Member	Yes	Yes	Yes	Yes	Yes
Mr. Nirmal Kumar Jain	Executive Director	Member	Yes	Yes	Yes	Yes	Yes

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls. The representatives of the Statutory Auditors are permanent invites to the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee.

• **Self-Assessment by the Audit Committee**

The Audit Committee has set in place a process to measure and benchmark its performance each year. The assessment broadly covers composition, structure and committee meetings; overview of the financial reporting process; internal control systems and overview of internal and external audits. The results of the self-assessment are presented to the Audit Committee along with the action plan in the areas requiring improvement.

B. Stakeholders' Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of the Schedule II of SEBI LODR Regulations the Board has Constituted Stakeholders' Relationship Committee.

The Company has constituted the Stakeholders Relationship Committee for resolving the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

The terms of reference of the Stakeholder Relationship committee are as follows:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates/certificates relating to other securities;
- issue and allot right shares/bonus shares pursuant to a rights issue/bonus issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares/debentures/other securities and all matters incidental or related thereto; to authorize the Company Secretary and Head Compliance/other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend/interest, change of address for correspondence etc. and to monitor action taken;
- To redress the complaints of the members and investors, related to transfer and transmission of securities, non-receipt of annual reports and other securities related matters;

- To review the request/Complaints received by the Registrar and Share Transfer Agent from the members relating to transfer, transmission, consolidation, replacement of share certificates, issue of duplicate share certificates and dematerialization of securities certificates;
- To recommend the measures for overall improvement in the quality of investor services;
- monitoring expeditious redressed of investors/stakeholder's grievances;
- All other matters incidental or related to shares, debentures and other securities of the Company.
- Any other function as may be stipulated by the Companies Act, 2013, SEBI, Stock Exchange or any other regulatory authorities from time to time.

The composition of the Stakeholders' Relationship Committee as at March 31, 2022 and details of the Members participation at the Meetings of the Committee are as under:

Name of Members	Category	Status	Attendance at the Stakeholders' Relationship Committee Meetings			
			18.06.2021	30.08.2021	20.12.2021	24.03.2022
Ms. Ragini Pamecha	Non-Executive Director	Chairperson	YES	YES	YES	YES
Mr. Rajesh Jain	Non-Executive Independent Director	Member	YES	YES	YES	YES
Mr. Kailash Jain	Executive Director	Member	NA	NA	YES	YES

- The Committee has been re-constituted on 30.08.2021 due to the resignation of Mr. Praveen Kumar Jain, (DIN: 00240525) from the post of Executive Director of the Company w.e.f 30.08.2021 and admitting of Mr. Kailash Jain as member of the Stakeholder's Relationship Committee.
- Mr. Praveen Kumar Jain has attended the Stakeholders' Relationship Committee Meetings held on 18.06.2021 & 30.08.2021.

99.81% Equity shares of the Company are in dematerialized form. Big share services private limited has been appointed and it has been acting as the Registrar and Share Transfer Agent of the Company for carrying out transfer and other ancillary work related thereto. Big share services private limited has appropriate systems to ensure that requisite service is provided to investors of the Company in accordance with the applicable corporate and securities laws and within the adopted service standards.

During the period under review, The Company has not received any investor's and also no complaint is pending.

C. Nomination and Remuneration Committee

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees which is available on the website of the company. Further, the Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

Your Company has in place a Nomination (including Boards' Diversity), Remuneration & Evaluation Policy, which, inter-alia, lays down the criteria for identifying the persons who are qualified to be appointed as Directors and/or senior management personnel of the Company, along with the criteria for determination of remuneration of Directors, KMPs and other employees and their evaluation and includes other matters, as prescribed under the provisions of Section 178 of Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of SEBI LODR Regulations.

In compliance with Section 178 of the Companies Act, 2013, and applicable SEBI (LODR), Regulations, 2015 the Board has constituted the "Nomination and Remuneration Committee".

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;

Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

The composition of the Nomination and Remuneration Committee as at March 31, 2022 and the details of Members participation at the Meetings of the Committee are as under:

Name of Members	Category	Status	Attendance at the Nomination and Remuneration Committee Meetings	
			30.08.2021	04.01.2022
Mr. Subhash Jain	Non-Executive Independent Director	Chairman	YES	YES
Ms. Ragini Pamecha	Non-Executive Director	Member	YES	YES
Mr. Rajesh Jain	Non-Executive Independent Director	Member	YES	YES

D. Corporate Social Responsibility (CSR) Committee

The Company has voluntarily constituted the CSR Committee and to review the existing CSR Policy to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, to provide guidance on various CSR activities undertaken by the Company and to monitor its progress.

The following Terms of reference:

- To formulate and recommend to the Board, Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- To recommend the amount of expenditure to be incurred on the CSR activities to be undertaken.
- The composition of the Corporate Social Responsibility Committee as at March 31, 2022 and the details of Members' participation at the Meetings of the Committee are as under:

Name of Members	Category	Status	Attendance at the Corporate Social Responsibility (CSR) Committee Meetings	
			10.12.2022	
Mr. Nirmal Kumar Jain	Executive Director	Chairperson	Yes	
Mr. Rajesh Jain	Non-Executive Independent Director	Member	Yes	
Mr. Kailash Jain	Executive Director	Member	Yes	

- The Committee has been re-constituted on 30.08.2021 due to the resignation of Mr. Praveen Kumar Jain, (DIN: 00240525) from the post of Executive Director of the Company w.e.f 30.08.2021 and admitting of Mr. Kailash Jain as member of the Corporate Social Responsibility (CSR) Committee.

E. Risk Management Committee

The Company has formed voluntarily Risk Management Committee of the Board for assisting the Board to establish a risk culture and risk governance framework in the organization. The Committee was formed to supervise, guide, review and identify current and emerging risks; developing risk assessment and measurement systems, establishing policies, practices and other control mechanisms to manage risks, developing risk tolerance limits for Senior Management and Board approval, monitoring positions against approved risk tolerance limits, reporting results of risk monitoring to Senior Management and the Board.

Terms of Reference of the Risk Management Committee inter alia include the following:

- Oversight of risk management performed by the executive management;
- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation, and reporting of risks.
- Reviewing and identifying risk in the area of cyber security and Management.
- Reviewing and monitoring the effectiveness and application of credit risk management policies, related standards and procedures and to control the environment with respect to credit decisions;

Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.

The composition of the Risk Management Committee as at March 31, 2022 and the details of Members' participation at the Meetings of the Committee are as under:

Name of Members	Category	Status	Attendance at the Risk Management Committee Meeting			
			21.06.2021	30.08.2021	27.12.2021	24.03.2022
Mr. Rajendra Chittora	Executive Director	Chairperson	Yes	Yes	Yes	Yes
Ms. Ragini Pamecha	Non-Executive Director	Member	Yes	Yes	Yes	Yes
Mr. Subhash Jain	Non-Executive Independent Director	Meber	NA	NA	Yes	Yes

GENERAL BODY MEETINGS**A. Annual General Meeting**

Details of Past Three Annual General Meetings held by the Company are given below:

FINANCIAL YEAR	LOCATION	MEETING DATE & TIME	SPECIAL RESOLUTION PASSED AT THE AGM
2020-21	Akme Business Centre (ABC), 4-4-5, Subcity Savina Circle, Opp. Krishi Upaz Mandi Udaipur - 313002, - (RAJ) AT 2:30 p.m. (Indian Standard Time) Through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")	30.09.2021 AT 2:30 P.M.	<ul style="list-style-type: none"> To fix remuneration of Mr. Rajendra Chittora (DIN: 08211508) as executive director of the company.
2019-20	Akme Business Centre (ABC), 4-5 Subcity Savina Circle, Opp. Krishi Upaz Mandi Udaipur - 313002, - (RAJ) AT 12:30 p.m. (Indian Standard Time) Through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")	15.12.2020 AT 12.30 P.M.	<ul style="list-style-type: none"> Alteration in the Articles of Association of the Company
2018-19	Kaya Valley Resort, National Highway 8, behind Kaya Jain temple, Udaipur (Raj)	21.09.2019 AT 12.30 P.M.	<ul style="list-style-type: none"> Appointment of Mr. Prasad Kuchibhatla (DIN: 02255028) as an Independent Director of the company for a term of 5 years. Reappointment of Mr. Rajesh Jain (DIN: 02021972) as an independent director of the company for a second term of 5 years. Revision in remuneration of Mr. Nirmal Kumar Jain (DIN: 00240441) Managing Director & Chairman of the Company. Revision in Remuneration of Mrs. Pushpa Nagda (DIN: 00887067) Executive Director of the company Revision in remuneration of Mr. Praveen Kumar Jain (DIN 00240525) Executive Director of the company Revision in remuneration of Mr. Ramesh Kumar Jain (DIN 07441707) Executive Director of the company Revision in remuneration of Mr. Dipesh Jain, Chief Executive Officer of the company. To approve proposed the related party Transactions.

B. Extra Ordinary General Meeting

The Extra Ordinary General Meeting of the Company was not held during the year under review.

SHAREHOLDERS RELATION:

Majorly, annual report is the main source of information to the shareholders of the Company which inter alia, includes the Directors' Report, the shareholders' information, Report of Directors on Corporate Governance, Management Discussion and Analysis Report and the audited financial results. Company emphasizes the importance of regular communication with its shareholders to ensure that the Company's strategy is clearly understood. Since, shareholders have an opportunity to attend the Annual General Meeting at which the business outlook is presented and relevant aspects of the Company's operations are discussed.

Along with the financial results, other information as per the listing guidelines such as may be required, are being uploaded on BSE website under "BSE Listing Centre" On regular basis, quarterly results & performance of the Company is placed on the website of the Company and furnished to stock exchanges for the benefit of the investors. The quarterly, half yearly and annual financial results of the Company are communicated to the stock exchanges as per the provisions of SEBI (LODR) Regulations, 2015 and uploaded on Company's website.

The Ministry of Corporate Affairs (MCA) and the Companies Act, 2013, has taken a "Green Initiative" in corporate governance by allowing paperless compliances by the Companies through electronic mode. The listing agreement with the stock exchanges and the Companies Act, 2013 permits companies to send soft copies of the annual report to all those shareholders who have registered their e-mail addresses with the Company/Depository participant. In every Annual Report, the Company has been requesting the shareholders holding shares both in physical/demat form to register/update their e-mail addresses to the Company/depository participants. Accordingly, the annual report for 2021-22, notice for AGM etc., are being sent in electronic mode to shareholders who have registered their e-mail addresses with the Company/depository participants.

DISCLOSURES

A. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

Disclosure of related party transaction has been shown in form AOC-2, annexed with Director report, Transactions with related parties as per the requirements of Accounting Standard 18 are disclosed in the Notes forming part of the Accounts in the Annual Report annexed herewith.

B. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The company has failed to comply with Regulation 52(1) & 54 (2) of SEBI (LODR) Regulations, 2015 which were complied later and penalties for the same were paid by the company. The details of non-compliance and penalties paid are as under:

Sr. No.	Regulation	Particular	Penalties Paid (In Rs.)
1.	54 (2)	Non-disclosure of extent and nature of security created and maintained with respect to secured listed NCDs in the financial statement, For Half Year/ Financial Year Ended on 31st March, 2021.	50,760/-
2.	52(1)	Non-submission of the financials results within the period prescribed under this regulation.	21,600/-

Note: The Company has adopted INDAS Balance sheet for the first time and during the period Lock Down was imposed by the government due to covid-19, hence the company has delayed in filing the financial results. Thereafter Company has submitted all financial results within time limit to BSE.

C. Details of compliance with mandatory requirements

During the year 2021-22, the Company has complied with all mandatory requirements in conformity with SEBI (LODR) guidelines, 2015 (to the extent applicable) has been detailed hereunder:

- Chairman of the Board**

The Chairman of the Board is the Managing Director & Chief Executive officer of the Company. The Board of the Company is an appropriate mix of Executive/Non-Executive and Independent Directors that have collective experience in diverse fields like finance, banking, insurance, economics, corporate laws and administration.

- **Nomination and Remuneration Committee**

The Company has a Nomination and Remuneration Committee, the details of which are provided in this Report under the section "Nomination and Remuneration Committee." The Committee recommends to the Board the remuneration payable to Executive Director and also recommends the appointment/reappointment of Executive/Non-Executive Directors and their induction on various committees of the Board.

- **Shareholder's Rights**

The annual results are displayed on the website of the Company. The Company also communicates the annual financial results by e-mail to shareholders who have registered their e-mail address with the Depository Participants/Registrar and Transfer Agent.

- **Audit Qualification**

Audit qualifications, if any explained in the financial statements of the company.

- **Training of Board Members**

During the year under review, the Company has provided with the necessary Updation, documents, information, reports and policies, as applicable to the Company, to the existing Directors of the Company. The Company regularly provides updates to its Board members on relevant amendments in the statutory Acts/legislation, as applicable on the Company.

- **Mechanism of evaluation of non-executive Board Members**

At present there is no formal mechanism for performance evaluation of Non-Executive Directors of the Company.

D. Other Disclosure

- **Reconciliation of Share Capital Audit of Companies**

As stipulated by SEBI, a qualified Company Secretary in Practice has carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued and listed capital with the stock exchanges. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories).

- **Risk Management**

The Company has formulated a Risk Management framework, which lays down the procedures for risk assessment and mitigation. The procedures and policies for risk assessment and minimization are regularly reviewed by the Board. A detailed note on the risk identification and mitigation is included in the Management Discussion & Analysis, annexed to the Directors Report.

- **Code for Prevention of Insider Trading Practices**

In compliance with the SEBI (Prohibition of Insider Trading) Regulations 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading Practices for its Directors and designated employees. The code lays down guidelines, which include procedures to be followed, and disclosures to be made while dealing in the shares of the Company.

The said code of conduct has been posted on the website of the Company i.e. www.akmefintrade.com the said code is in line with the provisions of the Companies Act, 2013. In accordance with the said Code, the Company closes its trading window for designated employees and directors from time to time. As per policy, trading window closes at the beginning of the quarter

and reopens after 48 hours from the conclusion of Board Meeting, in which the respective quarterly/half yearly/yearly financial results are approved.

- **Code of Conduct for the Board of Directors & Senior Management Personnel**

The Company has adopted a code of conduct for its Board of Directors & Senior Management personnel, which is applicable to the Board of Directors & Senior Management Team (one level below the Board of Directors) of the Company. The Board of Directors and members of the senior management personnel have provided their affirmation to the compliance with this code. The code requires the Directors and employees to act honestly, ethically and with integrity and in a professional and respectful manner. The said code has been posted on the website of the Company i.e. www.akmefintrade.com

- **Secretarial Audit**

M/s. Ronak Jhuthawat & Co, a Practicing Company Secretary, Udaipur, was appointed, to conduct Secretarial Audit of the Company for the financial year ended March 31, 2022. The Secretarial Audit Report addressed to the Members of the Company is attached to this Annual Report. The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 2013 and the Rules made under that Act to the extent applicable, Depositories Act, 1996, and the Regulations and Bye-laws framed under that Act, Equity Listing Agreement with Stock Exchanges, Securities Contract (Regulation) Act, 1956 (SCRA) and all the Regulations of SEBI, as applicable to the Company including The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018, The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and Guidelines issued by National Housing Bank.

- **Certificate from Practicing Company Secretary (PCS)**

A certificate from a Company Secretary in practice has been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority. The same forms part of this Annual Report as an annexure to the Directors Report.

- **Accounting Standards**

The Company has followed Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs in the preparation of its financial statements.

- **Prevention of Sexual Harassment of Women at Workplace:**

Prevention of Sexual Harassment of Women at Workplace:

Your Company is sensitive to women employees at workplace. As required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and has set up Internal Complaints Committee (ICC) at its work place(s) to redress the complaints of women employees. During the year, no complaint was filed with ICC and no complaint pending as on the end of the Financial Year 31 March 2022.

- **Vigil Mechanism/Whistle Blower Policy:**

The Board of Directors of the Company at its meeting held on 25 July 2014 has established a Policy on Vigil Mechanism for the Directors and Employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behavior, violation of the Company's Code of Conduct or Ethics Policy, and any other event which would adversely affect the interests of the business of the Company. Whistle Blowers may send their concerns/complaints to the Chairman of Audit Committee in a sealed envelope marked confidential, for appropriate action. The details of establishment of such mechanism have been also disclosed on the website of the Company. It is affirmed that no personnel has been

denied access to the Audit Committee.

- **Certificate on Corporate Governance**

As required under the SEBI LODR Regulations, The Company has complied with all mandatory requirements of corporate governance norms as enumerated in Chapter IV of SEBI (LODR) Regulations, 2015. M/s. Ronak Jhuthawat & Co., Company Secretaries, Udaipur, Secretarial Auditors of the Company have certified that the Company has complied with the conditions of corporate governance which is part of this Annual Report.

- **Compliance with Mandatory Requirements and adoption of the Non-Mandatory Requirements of Corporate Governance:**

During the period under review, Company has complied with all the Mandatory requirements of SEBI LODR Regulations to the extent applicable. The Company has also adopted certain voluntary compliance requirements as stipulated in the Act, SEBI LODR Regulations, 2015 and other acts, rules, regulations & guidelines applicable to the Company.

- **Means of Communication**

Pursuant to the applicable regulations of SEBI LODR Regulations, your Company publishes financial results on annually, quarterly and half yearly results basis which are duly reviewed by the Audit Committee before submission to the Board. The Annual Report, Financial Results, and material events, are regularly submitted to stock exchanges in accordance with the Listing Agreement and uploaded on the Company's website www.akmefintrade.com. The financial results of the Company are generally published in the English and Hindi newspapers such as Financial Express and Jai Rajasthan.

SHARE HOLDING PATTERN AS ON 31.03.2022

CATEGORY	NO OF SHARES	% OF SHAREHOLDING
A. Promoters' Holding		
a) Individual	6335820	29.04
b) Promoter Group	4877215	22.36
Total (A)	11213035	51.40
B. Public Share Holding		
a) Bodies Corp.	1378695	6.32
b) Individuals	9224776	42.28
c) Others	0	
Total B	10603471	48.60
Total A+B	21816506	100.00

Address for Correspondence: -

Registrar and Transfer Agents

Big Share Services Private Limited
302, Kushal Bazar, 32-33, Nehru Place,
New Delhi-110019

Tele-011-42425004 , 011-47565852

Email: bss@bigshareonline.com

AFIL Secretarial Department

Anjali Pacholi
Compliance Officer & Company Secretary
Akme Business Centre, 4-5 Subcity Centre
Savina Circle, Udaipur 313002

Tel: 0294-2489501

Email: cs@akmefintrade.com

Note: Ms. Anjali Pacholi, Company Secretary & Compliance officer of the company has resigned on 31.03.2022 and same is considered in Board meeting held on 21.04.2022.

Separate Section for Investor Information on Company's website

Shareholders are requested to visit www.akmefintrade.com for online information about the Company. The financial results and other relevant information of the Company are posted on the website of the Company. Besides, the shareholders have the facility to post any query to the Company directly from the website which are acted upon within 24 hours of receipt of query.

- **Designated Exclusive Email-Id**

The Company has designated an exclusive email id cs@akmefintrade.com which would enable the shareholders to post their grievances and monitor its redressal. Any shareholder having any grievance or query may send the same to the said email address for its quick redressal.

- **Share Transfer system**

All the applications regarding physical transfer, transmission, splitting of share certificates, dematerialization and rematerialisation are processed periodically by the Registrar and Share Transfer Agents, and the same are approved by Stakeholder Relationship Committee periodically depending on the volume of transfers. In case of shares held in electronic form, the transfers are processed by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through their respective Depository Participants. Share Certificates are dispatched back /credited to the respective Depository Accounts of the allottees within the time prescribed under the Listing Agreement/SEBI Guidelines. The Committee meets as and when required to approve share transfer received in physical form. The Company obtains from a Company Secretary in practice, certificate of compliance with the share transfer formalities as required under SEBI (LODR) Guidelines, 2015

- **Dematerialization of Shares and Liquidity**

The Company's equity shares are in the list of compulsory dematerialization settlement by all investors. As at March 31, 2022, 99.81% of the share capital of the Company representing 2,17,74,621 equity shares were held in dematerialized form.

- **Accounting Standards**

The Company has complied with the applicable Accounting Standards specified u/s 133 of the Companies Act, 2013. The financial statements for the year have been prepared in accordance with and in compliance of Schedule III notified by the Ministry of Corporate Affairs (MCA).

- **Listing of Debt Securities:**

Akme Fintrade (India) Limited debentures are listed on the BSE Limited.

The Stock Code: 959715

The Company has arranged for the payment of the listing fees for the year 2021-22 as per the listing agreement with the respective stock exchanges.

- **Going Concern:**

The directors are satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently consider it appropriate to adopt the going concern basis in preparing the financial statements.

- **Other useful information for Shareholders**

- **Electronic filing of compliances on BSE**

In terms of SEBI (LODR), Guidelines 2015, all periodical compliance filings such as Company's financial results, corporate announcement are electronically filed with the respective stock exchanges through BSE Listing Centre developed by BSE Limited.

- **SEBI Complaints Redress System (SCORES)**

The Company is registered with SEBI Complaints Redress System (SCORES). Under SCORES the investor complaints are processed in a centralized web-based complaints redressal system. The salient features of this system are:

Centralized database of all complaints, online upload of Action Taken Reports (ATR) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

- **Shares held in Electronic Form**

Members holding shares in electronic form may please note that instructions regarding change of address, bank details, nomination, email address and power of attorney should be given directly to the Depository Participant.

- **Shares held in Physical Form**

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, nomination, email address and power of attorney should be given to the Company's RTA viz. Big Share Services Private Limited.

- **Service of documents through electronic mode**

Members, who are desirous of receiving the notice and other documents through email, may kindly intimate their respective email address to the Company's Registrar and Share Transfer Agent, Big Share Services Private Limited or may send an email from their respective email id to cs@akmefintrade.com, with a subject "Registration of email id".

- **Financial year:**

The Company follows financial year starting from April 1st to March 31st each year.

- **Outstanding GDRs / ADRs / warrants:**

No warrant is pending for allotment or conversion on as on date.

- SEBI toll-free helpline service for investors: 1800227575 or 18002667575 (available on all days from 10:00 a.m. to 6:00 p.m. excluding declared holidays).

- SEBI investors' contact for feedback and assistance: tel. 022-26449188, e-mail: sebi@sebi.gov.in

DECLARATION ON COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

We, hereby, confirm and declare that in terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board members and Senior Management Personnel of the Company have affirmed compliance with the "Code of Conduct for the Board of Directors and the Senior Management Personnel", for the Financial Year 2021-22.

Sd/-

Nirmal Kumar Jain
Chairman, Chief Executive Officer & Managing Director
DIN-00240441

Place: Udaipur
Date: 31.08.2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Akme Fintrade (India) Limited
Akme Business Centre (ABC),
4-5 Subcity Centre Savina Circle,
Opp. Krishi Upaz Mandi,
Udaipur, Rajasthan, India 313002

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s Akme Fintrade (India) Limited** having CIN U67120RJ1996PLC011509 and having registered office at Akme Business Centre (ABC), 4-5 Subcity Centre Savina Circle, Opp. Krishi Upaz Mandi, Udaipur, Rajasthan, India 313002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Ministry of Corporate Affairs, Jaipur or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in Company
1	Mr. Nirmal Kumar Jain	00240441	25.08.1996
2	Mr. Rajesh Jain	02021972	17.01.2008
3	Mr. Kailash Jain	02030996	16.09.2017
4	Mr. Amrit Singh Rajpurohit	02173432	29.12.2020
5	Mr. Ramesh Kumar Jain	07441707	18.02.2016
6	Mr. Subhash Jain	07951661	03.10.2017
7	Ms. Ragini Pamecha	07953539	03.10.2017
8	Mr. Rajendra Chittora	08211508	29.12.2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Udaipur
Date: 20.08.2022

Signature: Sd/-
Name: Ronak Jhuthawat
Membership No.: F9738
CP No.: 12094
UDIN: F009738D000820757
Peer Review: 1270/2021

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Akme Fintrade (India) Limited
Akme Business Centre (ABC),
4-5 Subcity Centre, Savina Circle,
Opp. Krishi Upaz Mandi,
Udaipur, Rajasthan, India 313002

We have examined the compliance of conditions of Corporate Governance by Akme Fintrade (India) Limited ("the Company") for the year ended on 31st March, 2022, as stipulated in Chapter IV of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in chapter IV of the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Ronak Jhuthawat & Co.
Company Secretaries

Sd/-
Ronak Jhuthawat
Membership No.: F9738
CP No.: 12094
UDIN: F009738D000820768
Peer Review: 1270/2021

Place: Udaipur
Date: 20.08.2022

**VALAWAT & ASSOCIATES
CHARTERED ACCOUNTANTS**

432-433, 2nd Floor, S. M. Lodha Complex, Udaipur-313001 (Raj.)
Ph.: 2413482, 2414213, Fax: 0294-2414213, M.: 9414161934/9829044214
E.: jj24163@gmail.com/valawat@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

To,
**The Members of
Akme Fintrade (India) Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Akme Fintrade (India) Limited ("the Company") which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity for the year then ended, and the notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information ("hereinafter referred to as the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and the accounting principles generally accepted in India,

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2022.
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
- d) In the case of Statement of Changes in Equity, change in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 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 financial statements under the provisions of the Companies Act, 2013 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 financial statements.

Emphasis of Matter

We draw your attention to Notes to accounts of the Financial Statement which describes to the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain. Further, such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of 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 judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended 31 March 2022. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the

b) Impairment of financial assets (expected credit losses) (as described in note 6 of the Ind AS financial statements)	
<ul style="list-style-type: none"> • Estimation of losses for loan products with no/minimal historical defaults. <p>Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.</p>	

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

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including the Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of The Companies (Accounts) Rules, 2014. 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

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

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

responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key Audit Matter	How our audit addressed the key audit matter
(a) Transition to Ind AS accounting framework (as described in note 51 of the Ind AS financial statements)	
<p>The Company has adopted Ind AS from 1 April 2020 with an effective date of 1 April 2019 for such transition. For periods up to and including the year ended 31 March 2020, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). To give effect of the transition to Ind AS, these financial statements for the year ended 31 March 2022, together with the comparative financial information for the previous year ended 31 March 2021 and the Balance Sheet as at 31 March 2020 have been prepared under Ind AS.</p> <p>The transition has involved significant change in the Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to interalia determine impact of Ind AS on accounting and disclosure requirements prescribed under extant Reserve Bank of India (RBI) directions.</p> <p>In view of the complexity involved, Ind AS transition and the preparation of financial statements subsequent to the transition date have been areas of key focus in our audit.</p>	<ul style="list-style-type: none"> • Read the Ind AS impact assessment performed by the Management and the resultant changes made to the accounting policies considering the requirements of the new framework. • Evaluated the exemptions and exceptions allowed by Ind AS and applied by the Management in applying the first-time adoption principles of Ind AS 101 in respect of fair valuation of assets and liabilities existing as at transition date. • Tested the accounting adjustments posted as at the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS. • Tested the disclosures prescribed under Ind AS.
b) Impairment of financial assets (expected credit losses) (as described in note 6 of the Ind AS financial statements)	
<p>Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets (designated at amortized cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including:</p> <ul style="list-style-type: none"> • unbiased, probability weighted outcome under various scenarios; • time value of money; • impact arising from forward looking macro-economic factors and; • Availability of reasonable and supportable information without undue costs. <p>Applying these principles involves significant estimation in various aspects, such as:</p> <ul style="list-style-type: none"> • grouping of borrowers based on homogeneity by using appropriate statistical techniques; • Staging of loans and estimation of behavioral life; • determining macro-economic factors impacting credit quality of receivables; 	<ul style="list-style-type: none"> • We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. • We tested the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. • We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation. • Tested the ECL model, including assumptions and underlying computation. • Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults. • Audited disclosures included in the Ind AS financial statements in respect of expected credit losses.

audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material
- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as issued by Central Government of India in terms of Sub Section (11) of Section 143 of the Act, we hereby give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit 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 of the financial statements;
 - b. In our opinion, proper books of accounts 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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts maintained for the purpose or preparation of the financial statements;
 - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards referred to in Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2022, from being appointed as a Director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of The Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - h. 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 to the Managing Director of the Company is in accordance with the provisions of Section 197 along with Schedule V of Companies Act, 2013 and the remuneration limit is in accordance with the first proviso of Section 197(1) and Schedule V of Companies Act, 2013.

For Valawat & Associates

Chartered Accountants
FRN: 003623C

Sd/-

N.K. Valawat

Partner

Membership No. 072637

Place: Udaipur

Date: 30-05-2022

"ANNEXURE-A"

TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in para 1 under "Report on other Legal and Regulatory Requirement" of our report of even date on the accounts for the year ended 31st March 2022).

1. According to the information and explanations given to us, in respect of the property, plant and equipment:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) As explained to us, Property, plant and equipment have been physically verified by the management during the year and no discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - (c) We report that the title deed of the immovable property is held in the name of the Company as at the balance sheet date. Immovable property of land whose title deed has been pledged as security for non-convertible debentures is held in the name of the Company.
 - (d) The Company has not revalued its property, plant and equipment (including use to right assets) and intangible assets during the year hence clause 3(i) (d) of the order is not applicable.
 - (e) There are no proceedings initiated or pending against the company for holding any benami property under the benami transactions (Prohibition Act, 1988 (45 of 1988) and rules made thereunder hence clause 3(i) (e) of the order is not applicable.
2.
 - (a) The Company does not have any inventory and hence reporting under clause (ii) of paragraph 3 of the Order is not applicable.
 - (b) According to the explanations and information given to us, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores during the year, hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
3. According to the information and explanations given to us, the Company has made investments in, and granted any loans or advance in the nature of loan, secured or to Companies, Firms, Limited Liability Partnerships or other parties. The company has not provided any guarantee or Security to any other entity during the year. With respect to such investment and loans and advances:
 - (a) The Company's principal business is to give loans, and hence reporting under clause 3(iii) (a) of the Order is not applicable.
 - (b) The investments made and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (c) In respect of loans granted by the Company, the repayments of principal amounts and interest are generally regular considering the stipulation to repayment except in 2178 accounts.
 - (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. 17.22 Crores. Reasonable steps are been taken by the Company for recovery of the principal and interest as stated in the applicable Regulations and Loan Agreement.

- (e) The Company's principal business is to give loans and hence reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and based on the audit procedures performed, the Company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
4. According to the information and explanations given to us, the Company has not advanced any loan or given any guarantee or provided or securities to the parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under section 186.
5. As per the Ministry of Corporate Affairs notification dated March 31, 2014 the 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, with regard to the deposits accepted are not applicable to the Company. According to information and explanations given to us, the Company has not accepted any deposits during the year.
6. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Sub-Section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
7. According to the information and explanations given to us:
- a) The Company is generally been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Cess, Goods and Service Tax and any other statutory dues as applicable with the appropriate authorities.
- b) There are no undisputed statutory dues payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Value Added Tax, Cess, GST and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- c) There were no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Value Added Tax, GST as at March 31, 2022, which has not been deposited on account of dispute.
8. According to the information and explanations given to us, no transactions relating to previously unrecorded income were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
9. According to the information and explanations given to us, in respect of borrowings:
- (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 willful defaulter by any bank or Financial Institutions or government or any government authority.
- (c) According to the records of the Company examined by us, and information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company does not have any subsidiary or associate or joint venture and hence reporting on clause 3(ix)(f) of the Order is not applicable.
10. (a) According to the information and explanations given to us the Company has not raised moneys by way of Public Offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
11. (a) According to the information and explanations given to us, no 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 Act 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 represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
12. The Company is not a Nidhi Company; hence reporting under clause (xii) of paragraph 3 of the Order is not applicable to the Company.
13. According to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of The Companies Act, 2013, wherever applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the notes on Financial Statements as required by the applicable Indian Accounting Standards.
14. (a) During the year, Internal audit has been carried out by the Independent firm of Chartered accountants. In our opinion and according to the information and explanations given to us, the scope and coverage is commensurate with the size of the Company and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 31, 2022.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him under provisions of Section 192 of The Companies Act, 2013. Therefore, provision of clause (xv) of paragraph 3 of the Order is not applicable to the Company.
16. (a) According to the information and explanations given to us, we report that the Company has registered as required under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company. Hence, reporting under clause 3(xviii) of the Order is not applicable.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists on the date of the audit report indicating that the Company is not 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 audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. CSR Provisions are not applicable on the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
21. According to the information and explanations given to us, the Company does not have subsidiary or associate and joint venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For Valawat & Associates

Chartered Accountants
FRN: 003623C

Sd/-

N.K. Valawat

Partner

Membership No. 072637

Place: Udaipur

Date: 30-05-2022

"ANNEXURE-B"

TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in para 2(f) under "Report on other Legal and Regulatory Requirement" of our report of even date on the accounts for the year ended 31st March 2022)

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls over financial reporting of Akme Fintrade (India) Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made

only in accordance with authorizations of management and Directors of the Company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For Valawat & Associates

Chartered Accountants
FRN: 003623C

Sd/-

N.K. Valawat

Partner

Membership No. 072637

Place: Udaipur

Date: 30-05-2022

PART - I STATEMENT OF ASSETS AND LIABILITIES

As at 31st March, 2022

INR in Lakhs

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial Assets			
- Cash and cash equivalents	4	74.07	1060.03
- Bank Balance other than (a) above	5	-	-
- Loans	6	34287.11	41283.87
- Investments	7	20.34	20.34
- Other Financial assets	8	2275.61	2265.53
Total Financial Assets		36657.13	44629.77
Non- financial Assets			
- Deferred tax assets (net)	9	99.36	193.83
- Property, plant and Equipment	10A	549.13	606.96
- Intangible Assets	10B	38.15	34.99
- Right to use Assets	10C	39.22	53.06
- Other non-financial assets	11	18.98	16.15
Total Non-Financial Assets		744.84	904.99
Total Assets		37401.97	45534.76
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
- Debt Securities	12	1000.00	1000.00
- Borrowings	13	20006.03	28782.23
- Subordinated Liabilities	14	2000.00	2000.00
- Deposits		-	-
- Other Financial liabilities	15	278.53	210.79
Total Financial Liability		23284.56	31993.02
Non-Financial Liabilities			
- Provisions	16	1.75	1.75
- other non-financial liabilities	17	330.89	416.52

Particulars	Note No.	INR in Lakhs	
		As at March 31, 2022	As at March 31, 2021
Total Non-Financial Liability		332.64	418.27
Equity			
- Equity Share capital	18	2181.65	2181.65
- Other Equity	19	11603.12	10941.82
Total Equity		13784.77	13123.47
Total Liabilities and Equity		37401.97	45534.76

Overview and significant accounting policies
 The accompanying notes are an integral part of these financial statements.

In terms of our report of even date attached

For Valawat & Associates

Chartered Accountants
 FRN : 003623C

For and on behalf of the Board of Directors

Sd/-
N.K. Valawat
 Partner
 Membership No. 072637

Sd/-
Nirmal Kumar Jain
 Managing Director / Chairman / CEO
 DIN: 00240441

Sd/-
Rajendra Chittora
 Director
 DIN: 08211508

Place : Udaipur
 Date : 30-05-2022

Sd/-
Rajni Gehlot
 (Chief Financial Officer)
 PAN: BGEPG8519D

Sd/-
Ramesh Kumar Jain
 (Director)
 DIN: 07441707

PART- II

STATEMENT OF PROFIT AND LOSS

INR in Lakhs

Sr. Particulars No	Note No.	For the year ended	
		31-03-2022	31-03-2021
Revenue From Operations	20		
Interest Income		6486.940	8575.26
Fees and commission income		269.577	262.51
Gain / Loss on Derecognised financial assets		(6.30)	-
I Total Income		6750.217	8837.78
Expenses			
Finance Cost	21	3492.63	4798.51
Impairment of Financial Instruments (expected credit loss)	22	1016.29	771.47
Employee Benefits expenses	23	716.84	821.64
Depreciation and Amortisation expenses	24	69.49	65.27
Other Expenses	25	675.09	435.35
II TOTAL EXPENSES		5970.34	6892.24
III Profit Before Tax (I-II)		779.88	1945.54
IV - Current Tax	26	252.59	434.09
- Deferred Tax		94.48	(158.23)
V Profit For the period (III-IV)		432.81	1669.68
- Other comprehensive Income			
(i) Item that will not be reclassified to profit & loss			
(ii) Item that will be reclassified to profit & loss		-	-
(iii) Fair Value Gain on equity investments			
(iv) Income tax relating to item that cannot be reclassified to profit & loss account			
VI Total Other Comprehensive Income		-	-
VII Total Comprehensive Income (V+VI)		432.81	1669.68
Earning Per Share (F. V. of Rs. 10/- each)			
Basic		1.98	7.70
Diluted		1.98	7.70

Significant accounting policies

In terms of our report of even date attached

For Valawat & Associates

Chartered Accountants
FRN : 003623C

For and on behalf of the Board of Directors

Sd/-

N.K. Valawat

Partner

Membership No. 072637

Sd/-

Nirmal Kumar Jain

Managing Director / Chairman / CEO

DIN: 00240441

Sd/-

Rajendra Chittora

Director

DIN: 08211508

Place : Udaipur

Date : 30-05-2022

Sd/-

Rajni Gehlot

(Chief Financial Officer)

PAN: BGEPG8519D

Sd/-

Ramesh Kumar Jain

(Director)

DIN: 07441707

PART-III STATEMENT OF CHANGE IN EQUITY

For The Year Ended 31st March, 2022

A) Equity Share capital

INR in Lakhs

Particulars	As at March 31, 2022	As at March, 31 2021
Authorised Share Capital		
2,50,00,000 equity shares of Rs. 10/- each (Previous Year 2,50,00,000 equity shares of Rs. 10/- each)	2500.00	2500.00
Issued, Subscribed, Called Up & Paid Up Share Capital		
2,18,16,506 Equity shares of Rs. 10/- each (Previous Year 2,18,16,506 Equity shares of Rs. 10/- each)	2181.65	2181.65
Total	2181.65	2181.65

B) Other Equity

INR in Lakhs

Particular	Other Equity						Total other equity attributable to equity holders
	Reserves and surplus				Other comprehensive income	Impairment Reserve	
	Share premium reserve	Special reserve	Foreign Currency Monetary Item Translation Difference Account	Retained earnings	Equity Instruments through other comprehensive income		
Balances as at March 31, 2020	3564.21	1182.64	(436.49)	4424.48	164.53	-	8899.37
Equity shares issued during the year	270.18	-	-	-	-	-	270.18
Less: Bonus Shares Issued during the year	-	-	-	-	-	-	-
Transfer to special reserve#	-	333.94	-	(333.94)	-	-	-
Profit for the year	-	-	-	1669.68	-	-	1669.68
Transfer to Impairment Reserves	-	-	-	(830.84)	-	830.84	-
Foreign Currency Monetary Item Translation Difference Account created during the year	-	-	-	-	-	-	-
Others	-	-	436.49	(169.37)	(164.53)	-	102.59

Particular	Other Equity						
	Reserves and surplus				Other comprehensive income	Impairment Reserve	Total other equity attributable to equity holders of the parent
	Share premium reserve	Special reserve	Foreign Currency Monetary Item Translation Difference Account	Retained earnings	Equity Instruments through other comprehensive income		
Balances as at March 31, 2021	3834.39	1516.58	-	4760.01	-	830.84	10941.82
Equity shares issued during the year	-	-	-	-	-	-	-
Foreign Currency Monetary Item Translation Difference Account created during the year	-	-	-	-	-	-	-
Less: Bonus Shares Issued during the year	-	-	-	-	-	-	-
Transfer to special reserve#	-	86.56	-	(86.56)	-	-	-
Profit for the year	-	-	-	432.81	-	-	432.81
Share Application Money Pending Allotment	-	-	-	-	-	-	-
Transfer to Impairment Reserves	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	228.48
Balances as at 31 March 2022	3834.39	1603.14	-	5106.26	-	830.84	11603.12

In terms of our report of even date attached

For Valawat & Associates

Chartered Accountants
FRN : 003623C

Sd/-

N.K. Valawat
Partner

Membership No. 072637

Place : Udaipur

Date : 30-05-2022

For and on behalf of the Board of Directors

Sd/-

Nirmal Kumar Jain
Managing Director / Chairman / CEO

DIN: 00240441

Sd/-

Rajni Gehlot
(Chief Financial Officer)

PAN: BGEPG8519D

Sd/-

Rajendra Chittora
Director

DIN: 08211508

Sd/-

Ramesh Kumar Jain
(Director)

DIN: 07441707

PART-IV STATEMENT OF CASH FLOWS

INR in Lakhs

Particulars	For the year ended	
	31-03-2022	31-03-2021
Cash flow from operating activities		
Net profit Before Tax and exceptional items	779.88	1945.53
Adjustment For :		
Depreciation and Amortisation Expenses	69.48	65.27
Provision for ECL	88.17	159.44
Bad debts Written-off	928.12	612.03
Operating cash flow before working capital changes	1865.65	2782.27
Decrease/(Increase) in other financial assets	(10.07)	229.78
Decrease/(Increase) in other Non- financial assets	(2.83)	36.89
Increase/(Decrease) in Other financial liabilities	67.74	(42.15)
Increase/(Decrease) in Other non-financial liabilities	142.85	111.77
Increase/(Decrease) in Provision	-	1.66
Increase/(Decrease) in cash credit	(1074.34)	670.76
Cash From/(Used) for Operations	989.00	3790.98
(Increase)/Decrease in loans	5980.46	5230.51
Less: Taxes Paid	(252.59)	(434.09)
Net Cash Generated From Operating Activities (A)	6716.87	8587.40
Cash Flow from Investing Activities		
Investment in Fixed Deposits	-	0.89
Purchase of Fixed Assets	(20.03)	(55.58)
Sale of Fixed Assets	19.06	22.56
Deposits	-	-
(Increase)/decrease in investment	-	219.53
Net Cash flow from Investing Activities (B)	(0.97)	187.40
Cash Flow from Financing Activities		
Cash flow from issue of Shares	-	14.22
Share premium received/(issue)	-	270.18
Foreign Currency Monetary	-	436.49

Particulars	INR in Lakhs	
	For the year ended	
	31-03-2022	31-03-2021
Issue of Debentures	-	1000.00
OCI	-	(164.53)
Other	-	(169.37)
Repayment of Borrowings	(7701.86)	(9801.37)
Net Cash flow from Financing Activities (C)	(7701.86)	(8414.38)
Net Increase in cash and cash equivalents (A+B+C)	(985.96)	360.42
Cash and Cash Equivalents as at beginning of the year	1060.03	699.61
Cash and Cash Equivalents	74.07	1060.03

In terms of our report of even date attached

For Valawat & Associates

Chartered Accountants
FRN : 003623C

For and on behalf of the Board of Directors

Sd/-
N.K. Valawat
Partner
Membership No. 072637

Sd/-
Nirmal Kumar Jain
Managing Director / Chairman / CEO
DIN: 00240441

Sd/-
Rajendra Chittora
Director
DIN: 08211508

Place : Udaipur
Date : 30-05-2022

Sd/-
Rajni Gehlot
(Chief Financial Officer)
PAN: BGEPG8519D

Sd/-
Ramesh Kumar Jain
(Director)
DIN: 07441707

NOTES TO STANDALONE FINANCIAL STATEMENT

For The Year Ended 31st March, 2022

1. Corporate Information

Akme Fintrade (India) Limited (the 'Company') is a public company domiciled in India and incorporated on February 5, 1996 under the provisions of the Companies Act, 1956. The Company has received a Certificate of Registration from the Reserve Bank of India ('RBI') on April 7, 1999 to commence/ carry on the business of Non-Banking Financial Institution ('NBFC'). The company has surrendered Deposit taking license and RBI has issued new certificate as on 5th Sept, 2019 as Non-Deposit Taking Systemically Important NBFC.

As per RBI, vide the circular - 'Harmonization of different categories of NBFCs' issued on 22 February 2019 the Company has been reclassified as "NBFC - Investment and Credit Company (NBFC-ICC)"

2. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction - Non-Banking Financial Company- Master Directions' issued by RBI. The financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties.

For all periods up to and including the year ended 31 March 2022, Company had prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the NBFC Master Directions (hereinafter referred as 'Previous GAAP'). These financial statements for the year ended 31 March 2022 are the second set of financial statements that the Company has prepared in accordance with Ind AS. The Company has applied Ind AS 101 'First-time Adoption of Indian Accounting Standards', for transition from previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position and financial performance of the Company is provided in note no. 36.

2.1 Presentation of financial statements

The Company presents its Balance Sheet in order of liquidity.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

Critical accounting estimates and judgements

The preparation of the Company's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgments are used in various line items in the financial statements for e.g.:

- Business model assessment [Refer note no. 3.4 (i)]
- Fair value of financial instruments [Refer note no. 3.14 and 34]
- Effective Interest Rate (EIR) [Refer note no. 3.1 (i)]
- Impairment on financial assets [Refer note no. 3.4 (i), 6 and 35]
- Provisions and other contingent liabilities [Refer note no. 3.10 and 30]
- Provision for tax expenses [Refer note no. 3.6]
- Residual value and useful life of property, plant and equipment [Refer note no. 3.7(g)]

3. Summary of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Income

(i) Interest Income

The Company recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

The Company recognizes interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets [as set out in note no. 3.4(1)] regarded as 'stage 3', the Company stops recognizing interest income on these accounts till the account is credit impaired. If the financial asset is no longer credit-impaired [as outlined in note no. 3.4(i)], the Company reverts to calculating interest income on a gross basis.

Delayed payment interest (penal interest) levied on customers for delay in repayments/non-payment of contractual cash flows is recognized on realization.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognized at the contractual rate of interest.

(ii) Dividend Income

Dividend income on equity shares is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iii) Other Revenue from Operations

The Company recognizes revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

(a) Fees and Commission

The Company recognizes service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery.

Fees on value added services and products are recognized on rendering of services and products to the customer.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognized on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognized on realization.

(b) Net Gain on Fair Value Changes

Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognizes gains/losses on fair value change of financial assets measured as FVTPL and realized gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

(c) Sale of Services

The Company, on de-recognition of financial assets where a right to service the derecognized financial assets for a fee is retained, recognizes the fair value of future service fee income over service obligations cost on net basis as service fee income in the statement of profit or loss and, correspondingly creates a service asset in Balance Sheet. Any subsequent increase in the fair value of service assets is recognized as service income and any decrease is recognized as an expense in the period in which it occurs. The embedded interest component in the service asset is recognized as interest income in line with Ind AS 109 'Financial instruments'.

Other revenues on sale of services are recognized as per Ind AS 115 'Revenue from Contracts with Customers' as articulated above in 'other revenue from operations'.

(d) Recoveries of financial assets written off

The Company recognizes income on recoveries of financial assets written off on realization or when the right to receive the same without any uncertainties of recovery is established.

(iv) Taxes

Incomes are recognized net of the Goods and Services Tax/Service Tax, wherever applicable.

3.2 Expenditures**(i) Finance Costs**

Borrowing costs on financial liabilities are recognized using the EIR [refer note no. 3.1(I)].

(ii) Fees and Commission Expenses

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges and fees payable for management of portfolio etc., are recognized in the Statement of Profit and Loss on an accrual basis.

(iii) Taxes

Expenses are recognized net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

3.3 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.4 Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

All the financial instruments are recognized on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognizes the financial instruments on settlement date.

(i) Financial Assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

Initial measurement

All financial assets are recognized initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into four categories:

- (a) Debt instruments at amortized cost
- (b) Debt instruments at FVOCI
- (c) Debt instruments at FVTPL
- (d) Equity instruments designated at FVOCI

(a) Debt instruments at amortized cost

The Company measures its financial assets at amortized cost if both the following conditions are met:

- The asset is held within a business model of collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are sole Payments of Principal and Interest (SPPI) on the principal amount outstanding.

To make the SPPI assessment, the Company applies judgment and considers relevant factors such as the nature of portfolio and the period for which the interest rate is set.

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. If cash flows after initial recognition are realized 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 financial assets going forward.

The business model of the Company for assets subsequently measured at amortized cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios in the books of the Company, it may sell these portfolios to banks and/or asset reconstruction companies.

After initial measurement, such financial assets are subsequently measured at amortized cost on effective interest rate (EIR). For further details, refer note no. 3.1(i). The expected credit loss (ECL) calculation for debt instruments at amortized cost is explained in subsequent notes in this section.

(b) Debt instruments at FVOCI

The Company subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognized in other comprehensive income (OCI). The interest income on these assets is recognized in profit or loss. The ECL calculation for debt instruments at FVOCI is explained in subsequent notes in this section.

Debt instruments such as long-term investments in Government securities to meet regulatory liquid asset requirement of the Company's deposit program and mortgage loans portfolio where the Company periodically resorts to partially selling the loans by way of assignment to willing buyers are classified as FVOCI.

On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified to profit or loss.

(c) Debt instruments at FVTPL

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded

and measured in the Balance Sheet at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gains and losses on changes in fair value of debt instruments are recognized on net basis through profit or loss.

The Company's investments into mutual funds, Government securities (trading portfolio) and certificate of deposits for trading and short term cash flow management have been classified under this category.

(d) Equity investment designated under FVOCI

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognized in OCI and are available for reclassification to profit or loss on derecognition of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

Derecognition of Financial Assets

The Company derecognizes a financial asset (or, where applicable, a part of a financial asset) when:

- The right to receive cash flows from the asset have expired; or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognized, the Company does not have any continuing involvement in the same.

The Company transfers its financial assets through the partial assignment route and accordingly derecognizes the transferred portion as it neither has any continuing involvement in the same nor does it retain any control. If the Company retains the right to service the financial asset for a fee, it recognizes either a servicing asset or a servicing liability for that servicing contract. A service liability in respect of a service is recognized at fair value if the fee to be received is not expected to compensate the Company adequately for performing the service. If the fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognized for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger 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 recognized in profit or loss.

Impairment of Financial Assets

ECL are recognized for financial assets held under amortized cost, debt instruments measured at FVOCI, and certain loan commitments.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' and for which a 12 month ECL is recognized. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Lifetime ECL is recognized for stage 2 and stage 3 financial assets.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL').

Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery.

Treatment of the different stages of financial assets and the methodology of determination of ECL**(a) Credit Impaired (Stage 3)**

The Company recognizes a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

- Contractual payments of either principal or interest are past due for more than 90 days;
- The loan is otherwise considered to be in default.

Restructured loans, where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower, are classified as credit impaired. Such loans continue to be in stage 3 until they exhibit regular payment of renegotiated principal and interest over a minimum observation period, typically 12 months- post renegotiation, and there are no other indicators of impairment. Having satisfied the conditions of timely payment over the observation period these loans could be transferred to stage 1 or 2 and a fresh assessment of the risk of default be done for such loans.

Interest income is recognized by applying the EIR to the net amortized cost amount i.e. gross carrying amount less ECL allowance.

(b) Significant Increase in Credit Risk (Stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. Considering the market in which company is primarily operating and the class of customers which primarily comes from rural background where financial literacy is very poor and banking and collection facilities are not present at all places, management considers that unless identified at an earlier stage, 60 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk. Based on other indications such as borrower's frequently delaying payments beyond due dates though not 60 days past due are included in stage 2 for mortgage loans.

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by nature of loans, tenors, underlying collateral, geographies and borrower profiles. The default risk is assessed using PD (probability of default) derived from past behavioral trends of default across the identified homogenous portfolios. These past trends factor in the past customer behavioral trends, credit transition probabilities and macroeconomic conditions. The assessed PDs are then aligned considering future economic conditions that are determined to have a bearing on ECL.

(c) Without Significant Increase in Credit Risk since Initial Recognition (Stage 1)

ECL resulting from default events that are possible in the next 12 months are recognized for financial instruments in stage 1. The Company has ascertained default possibilities on past behavioral trends witnessed for each homogenous portfolio using application/behavioral score cards and other performance indicators, determined statistically.

(d) Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors.

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money using a rate which is a reasonable approximation of EIR.

- Determination of PD is covered above for each stage of ECL.
- EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected draw downs of committed facilities.
- LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realized and the time value of money.

A more detailed description of the methodology used for ECL is covered in the 'credit risk' section of note no. 35.

(ii) Financial Liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial asset to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

Initial measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortized cost using the EIR [Refer note no. 3.1(1)]. Any gains or losses arising on derecognition of liabilities are recognized in the Statement of Profit and Loss.

Derecognition measurement

The Company derecognizes a financial liability when the obligation under the liability is discharged, cancelled or expired.

(iii) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognized amounts with an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.5 Investment in Subsidiaries

The Company does not have any Subsidiary.

3.6 Taxes

(i) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer

probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in OCI or in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.7 Property, Plant and Equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

Depreciation on property, plant and equipment

- (a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.
- (b) Useful lives of assets are determined by the Management by an internal technical assessment except where such assessment suggests a life significantly different from those prescribed by Schedule II - Part C of the Companies Act, 2013 where the useful life is as assessed and certified by a technical expert.
- (c) Depreciation on leasehold improvements is provided on straight line method over the primary period of lease of premises or 5 years whichever is less.
- (d) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.
- (e) Assets having unit value up to Rs. 5,000 is depreciated fully in the financial year of purchase of asset.
- (f) An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income in the Statement of Profit and Loss when the asset is derecognized.
- (g) 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.

3.8 Intangible assets and amortization thereof

Intangible assets, representing softwares are initially recognized at cost and subsequently carried at cost less accumulated amortization and accumulated impairment. The intangible assets are amortized using the straight-line method over a period of five years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.9 Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

3.10 Provisions and Contingent Liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

3.11 Foreign Currency Translation

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss.

3.12 Retirement and other employee benefits

(i) Gratuity

Company has not made any provision for gratuity payment to employees.

(ii) Provident Fund

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

3.13 Lease

Company has applied Ind AS 116 "Leases" for all lease contracts covered by the Ind AS. Under Ind AS 116 a contract is, or contains a lease, if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company undertook an assessment of all applicable contracts to determine if a lease exists as defined in Ind AS 116. This assessment will also be completed for each new contract or change.

Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payment discounted using the Company's incremental cost of borrowing rate. Subsequently, the lease liability is

- i) Increase by interest on lease liability
- ii) Reduce by lease payments made

Measurement of Right-of-Use asset

At the time of initial recognition, the Group measures 'Right-of-Use assets' as present value of all lease payment discounted using the Group's incremental cost of borrowing rate w.r.t said lease contract. Subsequently, 'Right-of-Use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'. Depreciation on 'Right-of-Use assets' is provided on straight line basis over the lease period.

In contract going forward. The Company has further elected not to recognize ROU assets and lease liabilities for leases of low value assets and for short-term leases (less than 12 months).

3.14 Fair Value Measurement

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole. For a detailed information on the fair value hierarchy, refer note no. 34.

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

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

Particulars	INR in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Note 4: Cash and Cash Equivalents		
Balances with Banks in Current Accounts	3.97	512.78
Bank deposit with maturity of less than 3 months (Refer Note 3.1)	-	-
Cash in hand	70.09	547.24
Total	74.07	1060.03
Note 4A: Bank balance other than cash and cash equivalents		
(i) Earmarked balances with bank	-	-
(ii) Balances with bank to the extent held as margin money or security against the borrowings, Guarantees, other commitments	-	-
(iii) Repatriation restrictions in respect of cash and bank balances	-	-

Note 4.1: Since bank overdrafts availed by the company forms part of bank borrowings and are majorly sourced for company's financing activities hence bank overdrafts are not part of Cash and Cash equivalents

	INR in Lakhs	
Particulars	As at March 31, 2022	As at March 31, 2021
Note 5: Other Balance with banks		
Balance with banks in deposits accounts	-	-
Total	-	-

	INR in Lakhs	
Particulars	As at March 31, 2022	As at March 31, 2021
Note 6: Loans (at Amortised Cost)		
Term Loans	35,131.79	42,100.78
Less: Impairment loss allowance	(905.08)	(816.91)
Total Net	34,226.71	41,283.87
Others (ICD)	60.40	-
Total Loans	34,287.11	41,283.87
Secured by tangible assets	35,131.79	42,100.78
Covered by Bank/Government Guarantees	-	-
Unsecured	-	-
Total Gross	35,131.79	42,100.78
Less: Impairment loss allowance	(905.08)	(816.91)
Total Net	34,226.71	41,283.87
Others (ICD)	60.40	-
Total Loans	34,287.11	41,283.87
Public Sector	-	-
Others	35,131.79	42,100.78
Total Gross	35,131.79	42,100.78
Less: Impairment loss allowance	(905.08)	(816.91)
Total Net	34,226.71	41,283.87
Others (ICD)	60.40	-
Total Loans	34,287.11	41,283.87

- i. Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.
- ii. Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security and/or personal guarantees and/or hypothecation of assets and/or assignments of life insurance policies.

6.1) An analysis of changes in the gross carrying amount* and the corresponding ECL allowances INR in Lakhs

Particulars	31-03-2022				31-03-2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross Carrying amount opening balance	25,632.05	14,964.69	1504.04	42100.78	27,559.66	19,093.38	1,290.27	47,943.31
Less: Assets repaid (excluding write offs)*	(4,485.40)	(3,465.23)	(70.54)	(80.21)	(8,759.81)	(1,791.60)	(64.20)	(10,615.61)
Transfers from Stage 1**	(5,716.45)	5,383.38	333.07	-	(4,161.99)	4,009.98	152.02	-
Transfers from Stage 2**	5,082.09	(5,626.30)	544.20	-	6,231.47	(7,047.13)	815.66	-
Transfers from Stage 3**	9.12	-	(9.12)	-	38.03	402.87	(440.90)	-
Less: Amounts written off	(40.96)	(294.21)	(583.04)	(9.18)	(198.79)	(156.92)	(248.81)	(604.53)
New assets originated	1,799.50	167.17	3.72	1,970.40	4,923.48	454.12	-	5,377.60
Gross carrying amount closing balance	22,279.95	11,129.51	1722.33	35,131.79	25,632.05	14,964.69	1,504.04	42,100.78

The gross carrying value includes Vehicle Loans, MSME/ Business Loans and other Loan & Advances.

* Excludes the unmortised component of sourcing cost/ income which is adjusted as part of loan balances.

** Represents the balance outstanding as at beginning of the year, net of repayments made during the year, if any.

The repayments are forming part of " Assets repaid (excluding write offs)".

6.2) Reconciliation of ECL balance is given below: INR in Lakhs

Particulars	31-03-2022				31-03-2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	248.99	313.10	254.82	816.91	187.38	255.76	214.32	657.47
Net Addition during the year	28.36	18.31	41.49	88.17	61.61	57.34	40.50	159.44
ECL allowance - closing balance	277.35	331.41	296.31	905.08	248.99	313.10	254.82	816.91

INR in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
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Note 7: Investments

(A) At Amortised Cost

In Pass Through Certificates (PTC) representing securitisation of loan receivable	-	-
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Total (A)	-	-
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Particulars	INR in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(B) At fair value through other comprehensive income		
(i) In Government Securities		
(ii) In Equity Instruments		
Equity Shares (Quoted)	-	-
Equity Shares (Unquoted)	1.20	1.20
Total (B) = (i + ii)	1.20	1.20
(C) At fair value through profit or loss		
(i) In Mutual Funds	-	-
(ii) In Government Securities	19.14	19.14
(iii) In Certificates of Deposit	-	-
Total (C) = (i + ii + iii)	19.14	19.14
(D) Cost		
Investment	-	-
Total (D)	-	-
Total (A + B + C + D)	20.34	20.34

Particulars	INR in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Note 8: Other Financial Assets		
Interest accrued but not due on Loans	206.57	327.11
Other Deposits	-	-
Other Receivables	104.37	116.05
Security deposit	332.99	612.12
Other Advances-current	1,631.67	1,210.25
Total	2,275.61	2,265.53

Particulars	INR in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Note 9: Deferred Tax		
The components of Deferred Tax Assets and Liabilities as on 31.03.2022 and 31.03.2021 are as follows:		
Opening Balance (Deferred Tax Assets)	193.84	35.61
Deferred Tax Assets:		
Unamortised Processing Fee	-	-

Particulars	INR in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Impairment of Financial Assets	227.81	238.29
Difference between tax depreciation and depreciation/amortization charged for the financial reporting	-	-
Others	1.16	156.76
Gross deferred Tax Asset (A)	422.81	430.66
Deferred Tax Liabilities:		
Unamortised Processing Fee	17.97	12.02
Difference Between WDV of fixed Assets and as per Co. Act, 2013 and Income tax Act, 1961	17.11	36.99
Unamortised Borrowing Cost	94.54	152.21
Gross Deferred Tax Liabilities (B)	129.62	201.22
Net Deferred Tax Asset/ (Liability)	99.36	193.84
Amount (debited)/ Credited in Profit and Loss account	(94.48)	158.23

Note 10A: Property, plant and equipment

INR in Lakhs

Particulars	Gross carrying value				Depreciation				Net carrying value	
	As at March 31, 2021	Addition during the year	Adjustments/ Deductions during the year	As at March 31, 2022	As at April 01, 2021	For the year	Adjustments/ Deductions during the year	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Land & Building	394.82	-	19.06	375.76	3.87	1.83	-	5.70	370.06	390.95
Godown	40.82	-	-	40.82	-	-	-	-	40.82	40.82
Furniture & Fixtures	141.84	0.69	-	142.53	68.50	13.52	-	82.02	60.51	73.34
Vehicles	132.57	-	-	132.57	46.63	14.85	-	61.48	71.09	85.95
Computers & printer	110.78	-	-	110.78	110.30	0.49	-	110.78	-	0.49
Office Equipment	62.26	2.38	-	64.64	50.44	11.55	-	61.99	2.65	11.82
Mobile	4.84	1.54	-	6.37	1.24	1.13	-	2.37	4.00	3.60
Total	887.94	4.61	19.06	873.48	280.99	43.37	-	324.36	549.13	606.96

Company choose to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2019, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

INR in Lakhs

Particulars	Gross carrying value				Depreciation				Net carrying value	
	As at March 31, 2020	Addition during the year	Adjustments/ Deductions during the year	As at March 31, 2021	As at April 01, 2020	For the year	Adjustments/ Deductions during the year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Land & Building	412.37	0.73	18.29	394.82	2.04	1.83	-	3.87	390.95	410.33
Godown	40.82	-	-	40.82	-	-	-	-	40.82	40.82
Furniture & Fixtures	141.29	0.78	0.23	141.84	55.08	13.42	-	68.50	73.34	86.21
Vehicles	113.35	23.27	4.05	132.57	32.75	13.87	-	46.63	85.95	80.60
Computers & printer	110.12	0.66	-	110.78	103.95	6.35	-	110.30	0.49	6.17
Office Equipment	61.81	0.45	-	62.26	40.84	9.61	-	50.44	11.82	20.98
Mobile	3.33	1.51	-	4.84	0.77	0.47	-	1.24	3.60	2.56
Total	883.09	27.41	22.56	887.94	235.43	45.55	-	280.99	606.96	647.66

Note 10B: Other intangible assets

INR in Lakhs

Particulars	Gross carrying value				Amortisation				Net carrying value	
	As at March 31, 2021	Addition during the year	Adjustments/ Deductions during the year	As at March 31, 2022	As at April 01, 2021	For the year	Adjustments/ Deductions during the year	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Jaguar Software	27.51	15.44	-	42.94	4.10	8.35	-	12.45	30.49	23.41
SOFTWARE DEVELOPMENT	19.59	-	-	19.59	8.01	3.92	-	11.93	7.66	11.58
Windows Licence Fees	3.57	-	-	3.57	3.57	-	-	3.57	-	-
Total	50.67	15.44	-	66.10	15.68	12.27	-	27.95	38.15	34.99

INR in Lakhs

Particulars	Gross carrying value				Amortisation				Net carrying value	
	As at March 31, 2020	Addition during the year	Adjustments/ Deductions during the year	As at March 31, 2021	As at April 01, 2020	For the year	Adjustments/ Deductions during the year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Jaguar Software	-	27.51	-	27.51	-	4.10	-	4.10	23.41	-
SOFTWARE DEVELOPMENT	18.93	0.66	-	19.59	6.67	1.35	-	8.01	11.58	12.26
Windows Licence Fees	3.57	-	-	3.57	3.14	0.42	-	3.57	-	0.42
Total	22.5	28.17	-	50.67	9.81	5.87	-	15.68	34.99	12.68

Note 10C: Right to use Assets

INR in Lakhs

Particulars	Gross carrying value				Amortisation				Net carrying value	
	As at March 31, 2021	Addition during the year	Adjustments/Deductions during the year	As at March 31, 2022	As at April 01, 2021	For the year	Adjustments/Deductions during the year	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
INDAS-Lease Assets	69.21	-	-	69.21	16.15	13.84	-	29.99	39.22	53.06

INR in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
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Note 11: Other Non-Financial Assets

Prepaid Expenses	1.03	5.3
Prepaid Rent	-	-
Other Advances	-	0.05
Duties and taxes	17.95	10.8
Total	18.98	16.15

INR in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
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Note 12: Debt Securities

Debt Securities in India

At Amortised Cost

Secured	-	-
Privately Placed Non-Convertible Debentures	1,000.00	1,000.00
Total	1,000.00	1,000.00

The secured redeemable non-convertible debentures issued by the company are secured by exclusive charge on hypothecation of specific loan receivables aggregating to a security cover of up to 110% as per the terms of issue. The coupon rate for secured redeemable non-convertible debentures is 12% payable quarterly. These secured redeemable non-convertible debentures are to be repaid as bullet payment on 30th June 2023.

INR in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
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Note 13: Borrowings (other than debt securities)

At Amortised Cost

(a) Term Loan

Secured	-
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	INR in Lakhs	
Particulars	As at March 31, 2022	As at March 31, 2021
From banks and FL's (Refer Note 14A)	15125.06	22,860.78
(b) Loan repayable on demand		
Secured		
Cash Credit and working capital demand loans from banks	4847.11	5,921.45
Other (ICD-Borrowing)	33.86	-
Total	20,006.03	28,782.23
Borrowings in India	14,578.26	23,293.64
Borrowings outside India	5,427.78	5488.59
Total	20,006.03	28,782.23

INR in Lakhs										
Name of the Lender	Balance as on 31-03-2022	Tenure (Months)	EMI Frequency	EMI (Nos.)	EMI/Instalment	Security	ROI %			
AU Small Finance Bank Limited	109.70	24	Monthly	24	Instalment of 833,333 and actual interest applied	Hypothecation of specific book debts, collateral and Personal guarantee of director/s	13.50%			
Bandhan Bank Limited	247.50	36	Monthly	36	277,778	Hypothecation of specific book debts and Personal guarantee of director/s and collateral.	12.75%			
Bank of India	260.93	60	Quarterly	20	50,00,000	Hypothecation of specific book debts, collateral and Personal guarantee of director/s	11.50%			
Bank of India 3 rd	993.80	60	Quarterly	20	50,00,000	Hypothecation of specific book debts, collateral and Personal guarantee of director/s	9.00%			
Indusind Bank Limited	21.94	36	Monthly	36	32,97,601	Hypothecation of specific book debts and Personal guarantee of director/s	11.50%			
Indusind Bank Limited	199.70	36	Monthly	36	16,48,800	Hypothecation of specific book debts and Personal guarantee of director/s	11.50%			
State Bank of India (SBBJ)	337.18	66	Quarterly	22	75,00,000	Hypothecation of specific book debts, collateral and Personal guarantee of director/s	10.50%			
State Bank of India	176.93	60	Quarterly	20	50,00,000	Hypothecation of specific book debts, collateral and Personal guarantee of director/s	10.50%			
State Bank of India	470.92	48	Quarterly	16	75,00,000	Hypothecation of specific book debts, collateral and Personal guarantee of director/s	10.50%			
State Bank of India	752.27	36	Quarterly	12	Instalment of 1,50,00,000 and actual interest applied	Hypothecation of specific book debts, collateral and Personal guarantee of director/s	11.75%			
State Bank of India	11.15	24	Monthly	24	Instalment of 278,000 and actual interest applied	Hypothecation of specific book debts, collateral and Personal guarantee of director/s	8.10%			
Northern Arc Capital Limited	112.93	23	Monthly	23	9,13,000	Hypothecation of specific book debts and Personal guarantee of director/s	13.00%			
Northern Arc Capital Limited	280.56	24	Monthly	24	16,43,000	Hypothecation of specific book debts and Personal guarantee of director/s	14.25%			
MAS Financial Services Limited	448.62	36	Monthly	36	13,19,444	Hypothecation of specific book debts and Personal guarantee of director/s	14.10%			
MAS Financial Services Limited	448.62	36	Monthly	36	13,19,444	Hypothecation of specific book debts and Personal guarantee of director/s	14.10%			
Maanaveeya Development & Finance Private Limited	869.11	12	Monthly	12	37,00,000	Hypothecation of specific book debts and Personal guarantee of director/s	14.00%			

INR in Lakhs

Name of the Lender	Balance as on 31-03-2022	Tenure (Months)	EMI Frequency	EMI (Nos.)	EMI/Instalment	Security	ROI %
Maanaveeya Development & Finance Private Limited	374.98	36	Monthly	36	42,00,000 for 35 inst 3,00,000 for 1 inst	Hypothecation of specific book debts and Personal guarantee of director/s	14.35%
Hinduja Leyland Finance Limited	34.18	36	Monthly	36	34,56,536	Hypothecation of specific book debts and Personal guarantee of director/s	13.25%
Hinduja Leyland Finance Limited	116.75	36	Monthly	36	17,48,988	Hypothecation of specific book debts and Personal guarantee of director/s	14.00%
Hinduja Leyland Finance Limited	264.19	36	Monthly	36	34,97,976	Hypothecation of specific book debts and Personal guarantee of director/s	14.00%
Hinduja Leyland Finance Limited	385.10	36	Monthly	36	34,66,532	Hypothecation of specific book debts and Personal guarantee of director/s	15.00%
Moneywise Financial services Pvt ltd	264.81	26	Monthly	26	15,52,069	Hypothecation of specific book debts and Personal guarantee of director/s	13.00%
Capri Global Capital Limited	16.41	41	Monthly	41	13,88,888	Hypothecation of specific book debts and Personal guarantee of director/s	13.50%
Capri Global Capital Limited	94.88	13	Monthly	13	10,55,556	Hypothecation of specific book debts and Personal guarantee of director/s	13.50%
Capri Global Capital Limited	30.00	13	Monthly	13	3,33,333	Hypothecation of specific book debts and Personal guarantee of director/s	13.50%
Shriram Transport Finance Company Limited	918.28	36	Monthly	36	34,64,144	Hypothecation of specific book debts and Personal guarantee of director/s	15.00%
Manappuram Finance Limited	149.43	17	Monthly	17	11,77,847	Hypothecation of specific book debts and Personal guarantee of director/s	14.00%
Vivriti Capital Private Limited	48.84	36	Monthly	36	1714,959	Hypothecation of specific book debts and Personal guarantee of director/s	14.25%
Vivriti Capital Private Limited	66.16	36	Monthly	36	1714,959	Hypothecation of specific book debts and Personal guarantee of director/s	14.25%
Vivriti Capital Private Limited	81.86	36	Monthly	36	1714,959	Hypothecation of specific book debts and Personal guarantee of director/s	14.25%
Vivriti Capital Private Limited	112.50	13	Monthly	13	12,50,000	Hypothecation of specific book debts and Personal guarantee of director/s	14.50%
Vivriti Capital Private Limited	90.00	13	Monthly	13	10,00,000	Hypothecation of specific book debts and Personal guarantee of director/s	14.50%

Name of the Lender	Balance as on 31-03-2022	Tenure (Months)	EMI Frequency	EMI (Nos.)	EMI/Instalment	Security	ROI %
UGRO Capital Limited	69.84	12	Monthly	12	12,14,632	Hypothecation of specific book debts and Personal guarantee of director/s	13.75%
Hiranandani Financial Services Pvt Ltd	203.15	36	Monthly	36	23,92,434	Hypothecation of specific book debts and Personal guarantee of director/s	14.00%
Eclear Leasing and Finance Private Limited	88.46	29	Monthly	29	8,72,767	Hypothecation of specific book debts and Personal guarantee of director/s	15.50%
UC Inclusive Credit Pvt. Ltd.	151.63	30	Monthly	30	20,20,994	Hypothecation of specific book debts and Personal guarantee of director/s	15.50%
World Business Capital - ECB	5,42,778	120	Quarterly	32	\$ 2,50,000	Hypothecation of specific book debts and Personal guarantee of director/s	L+3.83% (current) y L=0.25%)
Car Loans - (BMW, Toyota, Axis & SBI)	35.73		Monthly			Secured against Car	
Star Housing Finance Ltd	358.24	36	Monthly	36	12,47,952	Hypothecation of specific book debts, collateral and Personal guarantee of director/s	15.00%
TOTAL	15125.06						

INR in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
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Note 14: Subordinates-Debts

Subordinates-Debts in India

At Amortised Cost

Secured	-	-
Unsecured	2,000.00	2,000.00
Total	2,000.00	2,000.00

Details of Subordinates-Debts in India	Balance as on 31-03-2022	Tenure (Months)	Repayment	ROI %
Mas Financial Services Limited	1,000.00	72	Bullet payment of principal in 72nd month (year 2024)	15.30%
Maanaveeya Development & Finance Pvt Ltd	1,000.00	72	To be repaid in equal installment of Rs. 500.00 Lakhs in 66th month (year 2024) & 72nd month (year 2025)	16.00%
Total	2,000.00			

INR in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
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Note 15: Other financial liabilities

Interest accrued but not due on borrowings	36.18	7.11
Security Deposit	76.26	119.67
Other liabilities	166.08	84.01
Total	278.53	210.79

INR in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
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Note 16: Provisions

Provision for Expenses	1.75	1.75
Total	1.75	1.75

INR in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
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Note 17: Other Non-Financial Liabilities

Current Tax Liabilities	227.52	363.49
Statutory Dues Payable	103.37	53.03
Total	330.89	416.52

INR in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Note 18 : Equity Share capital		
Authorised Share Capital		
2,50,00,000 equity shares of Rs. 10/- each (Previous Year 2,50,00,000 equity shares of Rs. 10/- each)	2,500.00	2,500.00
Issued, Subscribed, Called Up & Paid Up Share Capital		
2,18,16,506 Equity shares of Rs. 10/- each (Previous Year 2,18,16,506 Equity shares of Rs. 10/- each)	2,181.65	2,181.65
Total	2,181.65	2,181.65

Note: Reconciliation of number of shares outstanding and the amount of share capital at the beginning and end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the year	2,18,16,506	21,81,65,060	2,16,74,306	21,67,43,060
Add: Share issued during the year	-	-	1,42,200	14,22,000
Outstanding at the end of the year	2,18,16,506	21,81,65,060	2,18,16,506	21,81,65,060
	March 31, 2022		March 31, 2021	
Details of the shareholders holding more than 5% equity shares in the Company	No. of shares	% holding	No. of Shares	% holding
Nirmal Kumar Jain	5,77,19,70	26.46	4,78,69,05	21.94
Nirmal Kumar Jain H.U.F.	12,77,47,0	5.86	12,77,47,0	5.86
Manju Devi Jain	11,61,48,0	5.32	11,61,48,0	5.32
Ashish Jain	11,25,11,0	5.16	12,65,11,0	5.80
Kavish Jain	-	-	12,09,43,0	5.54

Note 19 : Other Equity

INR in Lakhs

Particular	Other Equity						Total other equity attributable to equity holders
	Reserves and surplus				Other comprehensive income	Impairment Reserve	
	Share premium reserve	Special reserve	Foreign Currency Monetary Item Translation Difference Account	Retained earnings	Equity Instruments through other comprehensive income		
Balances as at March 31, 2020	3,564.21	1,182.64	(436.49)	4,424.48	164.53	-	8,899.37
Equity shares issued during the year	270.18	-	-	-	-	-	270.18
Less: Bonus Shares Issued during the year	-	-	-	-	-	-	-
Transfer to special reserve#	-	333.94	-	(333.94)	-	-	-
Profit for the year	-	-	-	1,669.68	-	-	1,669.68
Transfer to Impairment Reserves	-	-	-	(830.84)	-	830.84	-
Foreign Currency Monetary Item Translation Difference Account created during the year	-	-	-	-	-	-	-
Others	-	-	436.49	(169.37)	(164.53)	-	102.59
Balances as at 31 March 2021	3,834.39	1,516.58	-	4760.01	-	830.84	10,941.82
Equity shares issued during the year	-	-	-	-	-	-	-
Foreign Currency Monetary Item Translation Difference Account created during the year	-	-	-	-	-	-	-
Less: Bonus Shares Issued during the year	-	-	-	-	-	-	-
Transfer to special reserve#	-	86.56	-	(86.56)	-	-	-
Profit for the year	-	-	-	432.81	-	-	432.81
Share Application Money Pending Allotment	-	-	-	-	-	-	-
Transfer to Impairment Reserves	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	228.48
Balances as at 31 March 2022	3,834.39	1,603.14	-	5,106.26	-	-	11603.12

Particulars	INR in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Note 20: Revenue from Operations		
Interest income on financial assets measured at amortised cost		
- Interest Income on loans to customers	6455.78	8,368.06
- Interest income from investments	0.73	0.73
- Interest income on investment in pass through certificates	-	-
- Other interest income	30.43	48.07
- Foreign Currency Gain/Loss	-	158.40
Total (A)	6486.94	8,575.26
Fees and commission income		
Profit on sale of Investment	-	52.56
-Service charges	-	0.10
-Commission Income	35.40	0.78
-Bad Debts Recovered	35.52	52.33
-Other charges	192.56	147.64
- Profit on Sale of Asset	6.08	7.89
-Dividend Income	-	1.22
Total (B)	269.58	262.51
Gain / Loss on Derecognised financial assets	(6.30)	-
Total (C)	(6.30)	-
Total (A+B+C)	6750.21	8,837.78

Particulars	INR in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Note 21: Finance Cost		
Finance costs on financial liabilities measured at amortised cost		
Interest on borrowings		
- Interest on term loans	2693.62	4081.88
- Interest on cash credit and working capital demand loan	652.40	634.41
Other borrowing cost (incl. Bank Charges)	59.70	32.16
Interest on Others	13.93	16.02
Interest on ICD	72.97	34.04
Total	3492.63	4798.51

	INR in Lakhs	
Particulars	As at March 31, 2022	As at March 31, 2021
Note 22: Impairment on financial instruments		
On financial assets measured at amortised cost		
-Loan Assets	88.17	159.44
-Loan Assets written off	928.12	612.03
Total	1016.29	771.47

	INR in Lakhs	
Particulars	As at March 31, 2022	As at March 31, 2021
Note 23: Employee benefits expenses		
Salaries, allowances and benefits	699.24	803.96
Contribution to provident and other funds	17.60	17.68
Total	716.84	821.64

	INR in Lakhs	
Particulars	As at March 31, 2022	As at March 31, 2021
Note 24 Depreciation and Amortization		
Depreciation of property, plant and equipment	43.37	45.55
Amortisation of intangible assets	12.26	5.87
Amortisation of Right to use Assets	13.84	13.84
Total	69.48	65.27

	INR in Lakhs	
Particulars	As at March 31, 2022	As at March 31, 2021
Note 25: Other Expenses		
Advertisement & Business Promotion	12.55	15.34
Annual Maintenance Charges	5.38	3.68
Audit Remuneration	1.75	1.75
Books & Periodicals Expenses	0.02	0.04
Commission	38.98	21.20
Computer & Software maintenance	6.52	8.04
Conveyance	3.64	6.87
Credit Rating Charges	11.51	9.00
CIBIL Expense	9.26	4.02
CSR Expenditure	51.48	46.00

Particulars	INR in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Donation	4.73	1.08
Electricity & Water	6.95	7.93
Fees & Subscription	0.13	1.19
Franking/ Stamping Expenses	12.60	22.83
Foreign Exchange (Gain)/Loss	200.37	-
Godown Rent for seized vehicles	7.17	3.93
Income tax/ Interest	8.98	42.48
Hedging Expense	5.65	9.17
Insurance Expenses	5.27	5.73
Legal Expenses	25.87	15.61
Mandate processing charges (NACH)	4.64	3.79
Misc. Expenses	(1.34)	0.42
Office Expenses	24.69	19.51
Office Rent	39.65	21.60
Postage & Courier	1.53	2.03
Printing & Stationery	5.44	5.75
Professional Consultancy Fee	44.36	51.30
Repairs & Maintenance	3.47	4.51
ROC fees	0.97	0.60
Seizing exp	37.88	48.88
Recovery Expenses	21.71	21.20
Telephone and Internet Charges	3.71	4.32
Travelling Expenses	18.99	13.09
Vehicle Insurance & RTO Expenses	2.57	12.34
Field Investigation Charges	0.99	-
Demat Expenses	0.39	0.14
Accommodation Expenses	0.09	-
Written off under Ots scheme	9.94	-
Written Of Other loan	36.56	-
Lei-Renewal Exp	0.03	-
Total	675.09	435.35

Particulars	INR in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Note 26: Tax Expenses		
The Components of Income Tax are:		
Current tax	252.59	434.09
Deferred tax	94.48	(158.23)
Total Tax charge	347.07	275.86

Particulars	INR in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Note 26.1: Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year ended March 31, 2022 and March 31, 2021 is as follows:		
Accounting profit before tax	779.88	1945.54
Statutory Income tax rate (%)	0.2517	0.2517
Tax at statutory Income Tax rate	196.28	489.65
Tax Impact of:		
Income not subject to tax	-	(71.01)
Non-deductible expenses	30.41	78.41
IND-AS impact on Deductible Expenses	51.74	(25.9)
Deduction under section 36 (1) (vii)	(13.29)	(26.3)
Other Deduction	(12.55)	(11.06)
Incremental Deferred Tax Liabilities/(Assets) on account of Financial Assets and other items	-	0.31
Tax at effective Income Tax rate of 22.31% (P.Y 29.47%)	252.59	434.09
Tax on Other Comprehensive income		
Total Tax expense at effective tax rate of 22.31% (P.Y 29.47%)	252.59	434.09

Note 27: Earning per share

The Earnings Per Share (EPS) is calculated as follows:

PARTICULAR	Unit	INR in Lakhs	
		Year ended March 31, 2022	Year ended March 31, 2021
a) Amount used as the numerator for basic EPS profit after tax	(in Rs.)	43,281,278	166,967,738
b) Weighted average number of equity shares for basic EPS	Number	21,686,059	21,686,059
c) Weighted average number of equity shares for diluted EPS	Number	21,686,059	21,686,059
d) Nominal value per share	(in Rs.)	10	10
e) Earnings per share:			
- Basic (a/b)	(in Rs.)	1.984	7.699
- Diluted (a/c)	(in Rs.)	1.984	7.699

Note 28: Related Party Transactions / Disclosures

Key Managerial Person	Nirmal Kumar Jain (Managing Director)* Dipesh Jain (CEO)** Rajni Gehlot (CFO) Anjali Pacholi (Company Secretary)***
Relatives of Key Management Personnel	Manju Devi Jain (wife of Managing Director) Jenisha Jain (Daughter of Managing Director) Kartika Jain (wife of CEO)
Other Directors and Related parties	Praveen Kumar Jain**** Pushpa Nagda***** Ramesh Kumar Jain Abhilasha jain Sheetal Jain Vinita jain Surbhi Jain Indu Jain Heera Lal Jain Pankaj Jain Divyansh Jain Rajendra Chittora Kiran Jain Dhruv Chittora Kanta M. Jain Chanda Bhupendra Jain Geeta S. Jain Archana Chittora Megha Chittora Akme Buildmart Private Limited Akme Build Estste P. Ltd. Star Housing Finance Limited Akme Sarvodaya Dream Venture LLP The Coronation Castles Private Limited Akme Automobiles Private Limited Akme Mineral Exim Private Limited Arham Greens Private Limited

	Hiran Developers Private Limited Hiran Builders And Developers Private Limited Arvind Multi Industries Private Limited Akme Fincon Limited Laxmi Marble And Steel Corporation
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- * Nirmal Kumar Jain (CEO) Appointed w.e.f. 04/01/2022
- ** Dipesh Jain (CEO) resigned w.e.f. 02/09/2021
- *** Anjali Pacholi (Company Secretary) resigned w.e.f. 31/03/2022
- **** Praveen Kumar Jain (Director) resigned w.e.f. 30/08/2021
- ***** Pushpa Nagda (Director) resigned w.e.f. 30/08/2021

INR in Lakhs

Name of the Related Party	Nature of Transactions	Amount Paid	
		March 31, 2022	March 31, 2021
Nirmal Kumar Jain	Salary	60.00	57.00
Manju Devi Jain	Salary	42.00	39.90
Dipesh Jain	Salary	24.00	23.00
Jenisha Jain	Salary	11.78	12.00
Kartika Jain	Salary	4.80	4.80
Pushpa Nagda	Salary	-	39.90
Abhilasha Jain	Salary	1.0	2.00
Surbhi Jain	Salary	-	9.60
Vinita Jain	Salary	-	9.60
Pankaj Jain	Salary	4.55	7.65
Praveen Kumar Jain	Salary	5.50	13.20
Indu Jain	Salary	-	-
Sheetal Jain	Salary	1.75	4.20
Divyansh Jain	Salary	1.20	4.80
Ramesh Jain-Mumbai	Salary	10.95	5.20
Kiran Jain-Mumbai	Salary	8.05	3.35
Rajendra Chittora	Salary	6.07	1.55
Archana Chittora	Salary	4.81	1.20
Dhruv Chittora	Salary	1.94	0.58
Megha Chittora	Salary	4.21	1.05
Chanda W/o Bhupendra Jain	Salary	-	3.60
Geeta S. Jain	Salary	-	3.00
Kanta M. Jain	Salary	-	3.00
Rajni Gehlot	Salary	12.22	10.13
Anjali Pacholi	Salary	3.36	3.39

INR in Lakhs

Sr. No.	Name	Nature of Transactions	Amount Received	Amount Paid	Outstanding	Amount Received	Amount Paid	Outstanding
1	Akme Automobiles Private Limited.	Loan & Advances	0.10	7.92	57.89	111.00	28.05	50.08
2	Akme Buildmart Private Limited.	Loan & Advances	10.00	1.34	11.64	105.93	62.02	2.98
3	Akme Build Estate P. Ltd.	Loan & Advances	409.05	407.44	1.62	-	-	-
4	Akme Mineral Exim Private Limited	Loan & Advances	4.61	0.04	-	-	1.63	4.57
5	Star housing Finance Limited.	Loan & Advances	484.25	484.94	2.50	854.81	718.94	1.81
6	The Coronation Castles Private. Limited.	Loan & Advances	65.00	65.00	-	281.02	150.00	-
7	Akme Fincon Limited.	Loan & Advances	29.14	26.09	-	49.53	23.05	17.55
8	Akme Sarvodaya Dreamventure LLP	Loan & Advances	165.97	78.63	-	141.78	229.12	87.34
9	Arvind Multi Industries Private. Limited.	Loan & Advances	22.92	23.14	20.00	9.31	5.64	19.79
10	Hiraman Construction	Loan & Advances				2.70	3.55	20.85
11	Laxmi Marble and Steel Corportion	Loan & Advances	42.92	26.03	3.58	31.90	23.14	42.60
12	Hira Lal Jain	Loan & Advances	-	9.12	85.15	-	9.92	76.04
13	Manju Devi Jain	Loan & Advances	2.28	39.58	-	66.13	34.59	37.30
14	Jenisha Jain	Loan & Advances	22.53	1.62	-	25.00	45.90	20.90
	TOTAL		1262.14	1195.11	164.356	1679.11	1335.55	381.80

29. Segment reporting

An operating segment is a component of the company that emerges in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the company's management to make decisions about resources to be allocated to the segments and assess their performance. The MD is considered to be the chief operating decision maker ('CODM') within the purview of Ind AS 108 operating segments.

The CODM considers the entire business of the company on a holistic basis for making operating decisions and thus there are no segregated operating segments. The company is engaged into the business of providing Mortgage loans and Vehicle loans. The CODM of the company reviews the operating results of the company as a whole and therefore not more than one reportable segment is required to be disclosed by the company as envisaged by Ind AS 108 operating segments. Accordingly, amounts appearing in these financial statements relate to the business of providing Mortgage loans and Vehicle loans.

The company does not have any separate geographic segment other than India. As such there are no separate reportable segments as per IND AS 108 operating segments.

30. Contingent liabilities and commitments

INR in Lakhs

PARTICULARS	As at	
	31-03-2022	31-03-2021
(A) Contingent Liabilities		
Corporate Guarantee to Financial Institution	367	399
(B) Commitments		
	-	-

31. Retirement benefits

(a) Defined contribution plans:

The company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which is defined contribution plan. The company has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to provident fund for the year aggregated to INR 17.60 Lakh (PY 17.68 Lakh).

(b) Defined benefit plan:

Gratuity

Company has not made any provision of Gratuity liability payable to employees during the financial year.

(c) Other long term employee benefits

There was no other liability.

32. Dues to Micro, Small and Medium enterprises as per MSMED Act 2006

There is no amount that need to be disclosed in accordance with the Micro Small and Medium Enterprises Development Act, 2006 (the MSMED) pertaining to Micro or Small enterprises, as no supplier has intimated the company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED.

33. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled. With regards to the loans and advances to customers, the company uses the same basis of expected repayment behavior as used for estimating the EIR.

INR in Crores

Particulars	As at 31.03.2022			As at 31.03.2021		
	Within 12 Months	After 12 Month	Total	Within 12 Months	After 12 Month	Total
ASSETS						
Financial assets						
Cash and cash equivalents	0.74		0.74	10.60		10.60
Loans	129.4	213.47	342.87	199.81	213.03	412.84
Investments		0.20	0.20		0.20	0.20
Other financial assets	3.12	19.65	22.77	18.38	4.28	22.66

INR in Crores

Particulars	As at 31.03.2022			As at 31.03.2021		
	Within 12 Months	After 12 Month	Total	Within 12 Months	After 12 Month	Total
Deferred tax assets		0.99	0.99		1.94	1.94
Property, plant and equipment		5.88	5.88		6.60	6.60
Intangible assets		0.38	0.38		0.34	0.34
Other non financial assets		0.19	0.19		0.16	0.16
TOTAL ASSETS	133.26	240.76	374.02	228.79	226.55	455.34
LIABILITIES						
Financial liabilities:						
Borrowings	121.71	108.35	230.06	164.74	153.07	317.81
Other financial liabilities		2.79	2.79		2.11	2.11
Non-financial liabilities:						
Provisions		0.02	0.02		0.02	0.02
Other non-financial liabilities		141.15	141.15		135.40	135.40
TOTAL LIABILITIES	121.71	252.31	374.02	164.74	290.60	455.34
NET	11.55	-11.55		64.05	-64.05	

34. FINANCIAL INSTRUMENT FAIR VALUE MEASUREMENT

a). Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31.03.2022 were as follows :

INR in Lakhs

Particulars	Carrying Amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value*					
Cash and cash equivalents	74.06	74.06			74.06
Loans	34287.11			34287.11	34287.11
Investments	20.34		19.14	1.20	20.34
Other financial assets	2275.60			2275.60	2275.60
Total	36657.11	74.06	19.14	36563.91	36657.11
Financial liabilities not measured at fair value*					
Debt Securities	1000.00			1000.00	1000.00
Borrowings	20006.03			20006.03	20006.03
Subordinated Debts	2000.00			2000.00	2000.00
Other financial liabilities	278.53			278.53	278.53
Total	23284.56			23284.56	23284.56

The carrying value and fair value of financial instruments by categories as at 31.03.2021 were as follows: **INR in Lakhs**

Particulars	Carrying Amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value*					
Cash and cash equivalents	1060.03	1060.03			1060.03
Loans	41283.87			41283.87	41283.87
Investments	20.34		19.14	1.20	20.34
Other financial assets	2265.53			2265.53	2265.53
Total	44629.67	1060.03	19.14	44610.53	44629.67
Financial liabilities not measured at fair value*					
Debt Securities	1000.00			1000.00	1000.00
Borrowings	28782.23			28782.23	28782.23
Subordinated Debts	2000.00			2000.00	2000.00
Other financial liabilities	210.79			210.79	210.79
Total	31993.02			31993.02	31993.02

The carrying value and fair value of financial instruments by categories as at 01.04.2020 were as follows: **INR in Lakhs**

Particulars	Carrying Amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value*					
Cash and cash equivalents	699.61	699.61			699.61
Bank Balances other than Cash & Cash Equivalents	0.89	0.89			0.89
Loans	47285.84			47285.84	47285.84
Investments	239.87		238.67	1.20	239.87
Other financial assets	2495.31			2495.31	2495.31
Total	50721.53	700.50	238.67	49782.36	50721.53
Financial liabilities not measured at fair value*					
Debt Securities	0.00			0.00	0.00
Borrowings	37912.84			37912.84	37912.84
Subordinated Debts	2000.00			2000.00	2000.00
Other financial liabilities	252.94			252.94	252.94
Total	40165.78			40165.78	40165.78

*The company has not disclosed the fair values for financial instruments which are short term in nature because their carrying amounts are a reasonable approximation of fair value.

b. Measurement of Fair Value

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purpose only.

Short Term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalent, other financial assets (excluding security deposit), trade payables and other financial liability.

Loans and advances to customers

In case of retail loans and term loans with floating rates, the interest rate represents the market rate. Consequently, the carrying amount represents the fair value.

Term Loan with fixed rate: - The fair values estimated by discounted cash flow model that incorporates assumptions for credit risk, probability of default and loss given default estimates. As per management assumptions, the fair value of the loans & advances has been at par with the carrying value of the portfolio considering the fact that the competitive interest rates in the operational area of the company and the portfolio in which the company has exposure are more or less as per prevailing market rates.

Investments

The fair values estimated by discounted cash flow model that incorporates assumptions for credit risk, probability of default and loss given default estimates.

Borrowings

In case of borrowings with floating rates, the interest rate represents the market rate. Consequently, the carrying amount represents the fair value.

Transfer between Levels I and II

There has been no transfer in between level I and level II.

Capital

The company maintains an activity managed capital base to cover risks inherit in the business and is meeting the capital adequacy of the local regulatory body, Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures the regulation issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period. Equity share capital and other equity are considered for the purpose of Company's capital management.

Capital Management

The Primary objectives of the company's capital management policy are to ensure that the Company complies with externally imposed capital requirement and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholder value.

The company manages its capital structure and adjusts it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment of shareholders, return capital to shareholder or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the board.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company Principal financial liabilities comprises borrowings. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, cash, and cash equivalents, investments and other financial assets and that derives directly from its operations.

The Company is exposed to credit risk; liquidity risk and market risk. The Company's board of directors has an overall responsibility for the establishment and the oversight of the company's risk management framework. The board of directors has established the risk management for developing and monitoring the Company's risk management committee, which is responsible for developing and

monitoring Company's risk management. The committee reports regularly to the boards of directors on its activities.

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

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and the procedures, and reviews the adequacy of the risk management framework in the relation to the risk faced by the Company.

(i) Credit Risk

Credit Risk is the risk of financial loss to the company if a customer or counter party to financial instruments fails to meet its contractual obligations and arises primarily from the company's loan and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

A. Loans and Advances

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

The risk management committee has established a credit policy under which every new customer is analyzed individually for credit worthy before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc.

The Company's gross exposure to credit risk for loans and investments by type of counterpart is as follows:

Carrying Amounts	INR in Lakhs	
Particulars	As at 31 Mar 2022	As at 31 Mar 2021
Vehicle Loans	7,620.69	9,574.29
Business/LAP Loans	27,511.1	32,526.49
Total (A)	35,151.79	42,100.78
Investments (B)	20.34	20.34
Total (A +B)	35,152.13	42,121.12

The above exposures are entirely concentrated in India. There is no overseas exposure.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purpose of this analysis, the loan receivables are categorized into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109- Financial instruments.

Staging

As per the provisions of Ind AS 109 general approach all financial instruments are allocated to stage 1 on initial recognition. However, if a significant increase to credit risk is identified at the reporting date as compared with the initial recognition, then an instrument is transferred to stage 2. If there is objective evidence of impairment, then the asset is credit impaired and transferred to stage 3.

The Company considers a financial instrument defaulted and therefore stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

For Financial assets in stage 1, the impairment calculated based on defaults that are possible in next twelve months, whereas for financial instruments in stage 2 and 3 the ECL calculation considers default event for the life span of the instrument.

As per Ind AS 109, Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. Company has staged the assets based on the day past dues criteria and other market factors which significantly impacts the portfolio.

DAYS PAST DUE STATUS	STAGE	PROVISIONS
Current	Stage 1	12 Months Provision
1-60 days	Stage 1	12 Months Provision
61-90 days	Stage 2	Lifetime Provision
90+ days	Stage 3	Lifetime Provision

Grouping

As per Ind AS 109, Company is required to group the portfolio based on the shared risk characteristics. Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups:

- Vehicle Loans
- Business/SME/LAP

Impairment-Expected Credit Loss ("ECL"):

The accounting standard, Ind AS 109 does not specifically prescribe any methodology for computing ECL. However, entities are required to adopt sound and market acceptable methodologies which are in line with the size, complexity and risk profile of the financial entity for computing the ECL. The Company uses following three main components to measure ECL: -

- a. Probability of default (PD)
- b. Loss given default (LGD).
- c. Exposure at default (EAD).

Probability of default (PD):

PD is defined as the probability of whether borrowers will default their obligations in an ensuing period of 12 months. Historical PD is derived from the Company's internal data calibrated with forward looking macro-economic factors like current Pandemic scenarios etc.

For computation of probability of default company has considered four years' Historical data and the current Macroeconomic conditions along with probable Impacts of COVID-19. Based on these factors PD has been worked out.

Loss given default (LGD):

LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, Lifetime LGD's are defined as collection of LGD's estimates applicable to different future periods.

Various approaches are available to compute the LGD. Company has considered workout LGD approach.

The following steps are performed to calculate the LGD.

- 1.) Haircut was applied on the value of the collateral (asset cost) as of reporting date.
- 2.) The outstanding amount was adjusted with the haircut adjusted collateral value.
- 3.) LGD has been computed using the outstanding amount in step 2.
Over and above the LGD has been floored using regulatory guidelines.

Exposure at default (“EAD”)

As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty’s default. Company has modeled EAD based on the contractual and behavioral cash flows till the lifetime of the loan and considering the expected prepayments.

Company has considered expected cash flows for all loans at DPD bucket level for each of the segments which were used for computation for ECL. Moreover, the EAD comprised of principal component, accrued interest on the outstanding exposure for the ensuring 12 months. So, discounting was done for computation of expected credit loss.

ECL Computation:

Proportion of expected credit loss provided for across the stage is summarized below:

	INR in Lakhs	
Particulars	As at March 2022	As at March 2021
Stage 1	277.35	248.99
Stage 2	331.41	313.10
Stage 3	296.31	254.82
Amount of expected Credit loss provided for	905.08	816.91

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted approximately to reflect differences between current and historical economic conditions and the Company’s view of prevailing economic conditions over the expected lives of the loan receivable.

Movement in provision of expected credit loss has been provided in below note.

Movement of ECL

	INR in Lakhs	
Particulars	31-03-2022	31-03-2021
ECL allowance - opening balance	816.91	657.47
Net Addition during the year	88.17	159.44
ECL allowance - closing balance	905.08	816.91

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are mortgaged properties based on the nature of loans. Management monitors the market value of collateral in accordance with underlying agreement. The Company advances loan to maximum extent of 65% of the value of the mortgaged properties.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company’s approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

The company is monitoring its liquidity risk by estimating the future inflows and outflows during the start of the year and planned accordingly the funding requirement. The company manages the liquidity by unutilized cash credit facility, term loan and the direct assignment.

The composition of the Company's liability mix ensures healthy asset liability maturity pattern and well diverse resource mix.

The total cash credit and working capital limit available to the Company is INR 6000.00 Lakh spread across 3 banks. The utilization level is maintained in such a way that ensures sufficient liquidity on hand.

Majority of the Company's portfolio is individual vehicle loans, Business Loans, SME Loans and Loan against property. The company is also managing off book assets to the tune of Rs 1501.50 lakhs as on March 31st 2021

The table below summarizes the maturity profile of the Company's non-derivative financial liabilities based on contractual discounted payments along with its carrying value as at the balance sheet date.

Particulars	INR in Crores			
	As at 31 March 2022		As at 31 March 2021	
	Borrowing	Trade payable	Borrowing	Trade payable
1 day to 30/31 days (one month)	7.17	-	14.05	-
Over 1 month to 2 months	6.11	-	10.49	-
Over 2 months to 3 months	10.98	-	13.78	-
Over 3 months to 6 months	21.61	-	37.05	-
Over 6 months to 1 year	75.84	-	89.38	-
Over 1 year to 3 years	70.37	-	103.42	-
Over 3 years to 5 years	19.00	-	25.15	-
Over 5 years	18.98	-	24.50	-
Total	230.06	-	317.82	-

(iii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(iv) 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's exposure to the risk of changes in market interest rates relates primarily to the company's investment in bank deposits and variable interest rate on borrowings and lending. Whenever there is a change in borrowing interest rate for the company, necessary change is reflected in the lending interest rates over the timeline in order to mitigate the risk of change in interest rates of borrowings.

(v) Ratios

Ratio	Numerator (INR in Lakhs)	Denominator (INR in Lakhs)	As at March 31, 2022	As at March 31, 2021	variation
Current Ratio	14956.5	12705.9	1.18 TIMES	1.34 TIMES	-0.16
Debt-Equity Ratio	23,006.0	13,608.0	1.69 TIMES	2.47 TIMES	-0.78
Debt Service Coverage Ratio	11,192.1	11,047.9	1.013 TIMES	0.877 TIMES	0.14
Return on Average Equity Ratio	432.8	13,454.0	3.22%	13.80%	-10.58
Inventory turnover ratio	N.A.	N.A.	N.A.	N.A.	N.A.
Trade Receivables turnover ratio	N.A.	N.A.	N.A.	N.A.	N.A.
Trade payables turnover ratio	N.A.	N.A.	N.A.	N.A.	N.A.
Net capital turnover ratio	N.A.	N.A.	N.A.	N.A.	N.A.
Net profit ratio	432.8	6,750.2	6.41%	18.89%	-12.48

(vi) Foreign currency risk

The Company is exposed to foreign currency fluctuation risk for its foreign currency borrowing (FCB). The Company's borrowings in foreign currency are governed by RBI guidelines (RBI master direction RBI/FED/2018-19/67 dated 26 March 2019 and updated from time to time) which does not requires entities raising ECB for an average maturity of more than 5 years to hedge its ECB exposure (Principal and Coupon). The Company however hedging its foreign currency payment obligations against ECB for the next one year as per Board approved Interest Rate risk, Currency risk and Hedging policy.

36. Subsequent event

There is no significant subsequent event that has occurred after the reporting period till the date of these financial statements.

In terms of our report of even date attached

For Valawat & Associates

Chartered Accountants

FRN: 003623C

Sd/-

N.K. Valawat

(Partner)

Membership No. 072637

Place: Udaipur

Date: 30-05-2022

For and on behalf of the Board of Directors

Sd/-

Nirmal Kumar Jain

(Managing Director / Chairman/CEO)

DIN: 00240441

Sd/-

Rajni Gehlot

(Chief Financial Officer)

PAN: BGEPG8519D

Sd/-

Rajendra Chittora

(Director)

DIN: 08211508

Sd/-

Ramesh Kumar Jain

(Director)

DIN: 07441707

37 DISCLOSURES REQUIRED IN TERMS OF ANNEXURE XIV OF THE RBI MASTER DIRECTION DNBR. PD. 008 / 03.10.119 /2016-17 DATED 1 SEPTEMBER 2016 (UPDATED AS ON 17 FEBRUARY 2020) "MASTER DIRECTION- NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 ARE MENTIONED AS BELOW:

37.1 Capital

INR in Lakhs

Particulars		As at 31.03.2022	As at 31.03.2021
i)	CRAR %	35.07	29.41
ii)	CRAR – Tier I capital %	33.49	26.65
iii)	CRAR – Tier II Capital %	1.58	2.76
iv)	Amount of subordinated debt raised as Tier II capital	2000.00	2000.00
v)	Amount raised by issue of perpetual debt instruments	-	-

37.2 Investments

INR in Lakhs

Sr. No.	Particular	As at 31.03.2022	As at 31.03.2021
1. Value of investment			
(i)	Gross value of investment		
(a)	In India	20.34	20.34
(b)	Outside India	-	-
(ii)	Provision for depreciation		
(a)	In India	-	-
(b)	Outside India	-	-
(iii)	Net value of investment		
(a)	In India	20.34	20.34
(b)	Outside India	-	-
2. Movement of provisions held towards depreciation on investments			
(i)	Opening balance	-	-
(ii)	Add: Provisions made during the year	-	-
(iii)	Less: Write off/write back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

37.3 DERIVATIVES

Company has hedged the forex payments due in next one year through Call Options.

37.4 DISCLOSURES RELATING TO SECURITISATION

The Company sells loans through direct assignment transactions.

The information of securitization / direct assignment by the Company as originator as required by RBI circular DNBS. PD. No. 301/ 3.10.01/ 2012-13 dated 21 August 2012 is as under:

(a) For Securitization Transaction

INR in Lakhs

Sr. No.	Particular	As at 31.03.2022	As at 31.03.2021
1	No. of SPVs sponsored by the Company for securitization transactions	-	-
2	Total amount of securitized assets as per books of the SPVs sponsored by the company	-	-
3	Total amount of exposures retained by the Company to comply with MRR as on date of balance sheet	-	-
4	Amount of exposures to securitization transactions other than MRR	-	-

(b) For Assignment Transaction

INR in Lakhs

Sr. No.	Particular	As at 31.03.2022	As at 31.03.2021
1	No. of SPVs sponsored by the Company for assignment transactions		
2	Total amount of assigned assets as per books of the Company (excluding accrued interest)	1,324.88	1,342.75
3	Total amount of exposures retained by the Company to comply with MRR as on date of balance sheet		
	a) Off-Balance Sheet exposures		
	- First Loss	-	-
	- Others	-	-
	b) On-Balance Sheet exposures		
	- First Loss	-	-
	- Others	132.48	134.28
4	Amount of exposures to assignment transactions other than MRR		
	a) Off-Balance Sheet exposures		
	i) Exposure to own assignments		
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party assignments		
	- First Loss	-	-
	- Others	-	-
	b) On-Balance Sheet exposures		
	i) Exposure to own assignments		
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party assignments		
	- First Loss	-	-
	- Others	-	-
	Dues to assignees towards collections from assigned receivables	1192.40	1,208.48

37.5 DETAILS OF FINANCIAL ASSETS SOLD TO SECURITISATION / RECONSTRUCTION COMPANY FOR ASSET RECONSTRUCTION

The Company has not sold financial assets to securitisation / reconstruction company for asset reconstruction during the year (previous year Nil)

37.6 DETAILS OF ASSIGNMENT TRANSACTION UNDERTAKEN BY NBFCs

INR in Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
(i) No. of accounts	129	392
(ii) Aggregate value (net of provisions) of accounts sold	391.21	1429.88
(iii) Aggregate consideration	352.09	1286.90
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

37.7 DETAILS OF NON-PERFORMING FINANCIAL ASSETS PURCHASED / SOLD

The Company has not purchased or sold non-performing financial assets during the year (previous year Nil)

37.8 Asset liability management (ALM)

Maturity pattern of certain items assets and liabilities - as at As at March 31, 2022

INR in Lakhs

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 month up to 3 months	Over 3 month up to 6 months	Over 6 month up to 1 year	Over 1 year up to 3 years	Over 3 years up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowing from banks/FI's	283.84	27.48	405.66	610.41	1098.29	2160.87	7584.45	7037.33	1900.00	1897.70	23006.03
Market Borrowing	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	286.91	352.42	557.28	872.15	785.17	2339.96	7745.94	11318.8	4677.78	5350.74	34287.11
Investments	-	-	-	-	-	-	-	-	-	20.34	20.34
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Other Liquid Assets	74.06	-	-	-	-	-	-	-	-	-	74.06

Maturity pattern of certain items assets and liabilities – as at 31 March 2021

INR in Lakhs

Particulars	1day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 month up to 3 months	Over 3 month up to 6 months	Over 6 month up to 1 year	Over 1 year up to 3 years	Over 3 years up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowing from banks	281	335	789	1049	1378	3705	8938	10342	2515	2450	31782
Borrowing from FI's	-	-	-	-	-	-	-	-	-	-	-
Market Borrowing	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	195	600	977	1016	1019	3603	12571	15948	3239	2117	41284
Investments	-	-	-	-	-	-	-	-	-	20.34	20.34
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Other Liquid Assets	547	-	513	-	-	-	-	-	-	-	1060

37.9 Exposure to Real Estate Sector:

INR in Lakhs

Category	Year ended 31.03.2022	Year ended 31.03.2021
Direct Exposure		
(I) Residential Mortgages:		
-Lending fully secured by Mortgages on Residential property that is or will be occupied by borrower or that is rented;	2825.42	3250
(ii) Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential, land etc.). Exposure would also include non-fund acquisition, development and construction, premises, industrial or warehouse space, hotels, buildings, multi-based limits tenanted commercial	-	-
(iii) Investment in Mortgage backed Securities (MBS) and other securitized exposures	-	-
a. Residential	-	-
b. Commercial Real Estate	-	-
Total Exposure to Real Estate Sector	2825.42	3250

37.10 Exposure to Capital Market:

INR in Lakhs

Sr. No.	Particular	As at 31.03.2022	As at 31.03.2021
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	1.20	1.20
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi)	loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total Exposure to Capital Market	1.20	1.20

37.11 DETAILS OF FINANCING OF PARENT COMPANY PRODUCTS:

The Company has no parent company; therefore, this clause is not applicable

37.12 DETAILS OF SINGLE BORROWER LIMIT ("SGL") / GROUP BORROWER LIMIT ("GBL") EXCEEDED BY THE NBFC

- (i) Loans and advances, excluding advance funding but including off-balance sheet exposures to any single party in excess of 15 per cent of owned fund of the NBFC:
Nil
- (ii) Loans and advances to (excluding advance funding but including debentures/bonds and off-balance sheet exposures) and investment in the shares of single party in excess of 25 per cent of the owned fund of the NBFC:
Nil

37.13 REGISTRATION NUMBER OBTAINED FROM RBI

Registration No. - 10.00092

37.14 DISCLOSURE OF PENALTIES IMPOSED BY RBI AND OTHER REGULATORS:

No penalty was imposed by regulator.

37.15 RELATED PARTY TRANSACTIONS

Refer note 28 to the standalone financial statements.

37.16 RATINGS ASSIGNED BY CREDIT RATING AGENCIES AND MIGRATION OF RATINGS DURING THE YEAR By Acuite Ratings & Research Limited

INR in Lakhs

Particular	Amount	As at 31.03.2022	As at 31.03.2021
Long term bank facilities	15000.00	ACUITE BB+	ACUITE BBB
Non-convertible debenture	1000.00	ACUITE BB+	ACUITE BBB

37.17 REMUNERATION OF DIRECTORS

Refer note 28 to the standalone financial statements

37.17 MANAGEMENT

The annual report has a detailed chapter on Management Discussion and Analysis

37.18 NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGE IN ACCOUNTING POLICIES

Refer note 2, 3 & 36 for change in accounting policy.

37.19 REVENUE RECOGNITION

Refer note 3.1 to the standalone financial statements

37.20 Provisions and Contingencies:

INR in Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Break Up of 'Provisions & Contingencies' shown under the head Expenditure in statement of Profit & Loss	-	-
Provision for Depreciation on Investment	-	-
Provision towards standard asset & NPAT	905.08	81691
Provision Made towards Income Tax (Net of Deferred Tax)	347.07	275.86
Other Provision & Contingencies	-	-

37.21 DRAW DOWN FROM RESERVES

INR in Lakhs

Particulars	As at 31.03.2022	As At 31.03.2021
Draw down from reserves	-	-

37.22 CONCENTRATION OF DEPOSITS (FOR DEPOSIT TAKING NBFCS)

Not Applicable

37.23 CONCENTRATION OF ADVANCES

INR in Lakhs

Particulars	As at 31.03.2022	As At 31.03.2021
Total Advances to twenty largest borrowers	2926.04	3609
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	8.33%	8.57%

37.24 CONCENTRATION OF EXPOSURES

INR in Lakhs

Particulars	As at 31.03.2022	As At 31.03.2021
Total Advances to twenty largest borrowers	2926.04	3609
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	8.33%	8.57%

37.25 CONCENTRATION OF NPAS

INR in Lakhs

Particulars	As at 31.03.2022	As At 31.03.2021
Total Exposure to top four NPA accounts	438.26	128

37.26 Movement of NPAS

INR in Lakhs

Particular	As at 31.03.2022	As at 31.03.2021
(I) Net NPAs to Net Advances (%)	4.17%	3.03%
(ii) Movement of NPA (Gross)		
(a) Opening Balance	1504.04	1,290.27
(b) Additions during the year	1291.24	967.68
(c) Reductions during the year	-1072.95	-753.91
(d) Closing Balance	1722.33	1,504.04
(iii) Movement of NPA (Net)		
(a) Opening Balance	1249.22	1,075.95
(b) Additions during the year	1249.75	913.65
(c) Reductions during the year	-1072.95	-740.38
(d) Closing Balance	1426.01	1,249.22
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening Balance	254.82	214.32
(b) Additions during the year	41.49	54.03
(c) Reductions during the year	0.00	-13.53
(d) Closing Balance	296.32	254.82

37.27 OVERSEAS ASSETS (FOR THOSE WITH JOINT VENTURES AND SUBSIDIARIES ABROAD)

Nil

37.28 OFF-BALANCE SHEET SPVS SPONSORED (WHICH ARE REQUIRED TO BE CONSOLIDATED AS PER ACCOUNTING NORMS)

Nil

37.29 DISCLOSURE OF CUSTOMERS COMPLAINTS

S. No	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(a)	No. of complaints pending at the beginning of the year	1	Nil
(b)	No. of complaints received during the year	18	9
(c)	No. of complaints redressed during the year	16	8
(d)	No. of complaints pending at the end of the year	3	1

38 DISCLOSURE ON LIQUIDITY RISK PURSUANT TO RBI CIRCULAR DATED 4 NOVEMBER 2019 ON 'LIQUIDITY RISK MANAGEMENT FRAMEWORK FOR NON-BANKING FINANCIAL COMPANIES AND CORE INVESTMENT COMPANIES' IS AS FOLLOWS:

38.1 FUNDING CONCENTRATION BASED ON SIGNIFICANT COUNTERPARTY* (BOTH DEPOSITS AND BORROWINGS)

Particulars	INR in Lakhs	
	As at 31.03.2022	As at 31.03.2021
Number of significant counterparties	11	13
Amount	18340.92	24774.09
Percentage of funding concentration to total deposits	-	-
Percentage of funding concentration to total liabilities#	49.04%	54.41%

*Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC. No. 102/ 03.10.001/ 2019-20 dated November 4, 2019 on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies'.
#Total liabilities represent total liabilities as per balance sheet.

38.2 TOP 20 LARGE DEPOSITS

Not Applicable to the Company as it does not accept public deposits.

38.3 TOP 10 BORROWING

Particulars	INR in Lakhs	
	As at 31.03.2022	As At 31.03.2021
Total amount of top 10 borrowings	17947.43	16,340.37
Percentage of amount of top 10 borrowings to total borrowings	89.71%	56.77%

38.4 FUNDING CONCENTRATION BASED ON SIGNIFICANT STRUMENT/PRODUCT:

Particulars	INR in Lakhs			
	As at 31.03.2022	Percentage of total liabilities	As at 31.03.2021	Percentage of total liabilities
Term Loans	15158.92	40.53%	22860.78	50%
Cash credit/Working capital demand loan	4847.11	12.96%	5921.45	13%
Non-convertible debentures	1000.00	2.67%	1000.00	2%
Subordinate-debentures	2000.00	5.35%	2000.00	4%
Market linked Debenture	-	-	-	0%

39 INFORMATION AS REQUIRED IN TERMS OF PARAGRAPH 19 OF THE RBI MASTER DIRECTION DNBR. PD. 008 / 03.10.119 / 2016-17 DATED 1 SEPTEMBER 2016 "MASTER DIRECTION-NON-BANKING FINANCIAL COMPANY-SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 ARE MENTIONED AS BELOW:

(As required in terms of paragraph 9bb of non-banking financial companies prudential norms (reserve bank) directions, 1998)

Particulars		INR in Lakh	
Liabilities side		Amount outstanding	Amount overdue
(1)	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	1000	Nil
	: Unsecured (Other than failing within the meaning of public deposits)*	Nil	Nil
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	15158.92	Nil
	(d) Inter-corporate loans and borrowing	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Public Deposits*	Nil	Nil
	(g) Other Loans (Cash Credit from Banks)	4847.11	Nil
	* Please see Note 1 below		
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	NIL	NIL
	(a) In the form of Unsecured debentures	Nil	Nil
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
	(c) Other public deposits	Nil	Nil
	* Please see Note 1 below		
Assets side		Amount outstanding	
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured	35131.79	
	(b) Unsecured	Nil	
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
	(i) Lease assets including lease rentals under sundry debtors		
	(a) Financial lease	Nil	
	(b) Operating lease	Nil	
	(ii) Stock on hire including hire charges under sundry debtors		

Particulars			INR in Lakh	
Liabilities side			Amount outstanding	Amount overdue
	(a)	Assets on hire	Nil	
	(b)	Repossessed Assets	Nil	
	(iii)	Hypothecation loans counting towards EL/HP activities		
	(a)	Loans where assets have been repossessed	Nil	
	(b)	Loans other than (a) above	35131.79	
(5)	Break-up of Investments			
	Current Investments			
	1	Quoted		
	(i)	Shares		
		(a) Equity	Nil	
		(b) Preference	Nil	
	(ii)	Debentures and Bonds	Nil	
	(iii)	Units of mutual funds	Nil	
	(iv)	Government Securities	Nil	
	(v)	Others (please specify)	Nil	
	2	Unquoted		
	(i)	Shares		
		(a) Equity	1.20	
		(b) Preference	Nil	
	(ii)	Debentures and Bonds	Nil	
	(iii)	Units of mutual funds	Nil	
	(iv)	Government Securities	Nil	
	(v)	Others (please specify)	Nil	
	Long Term investments			
	1	Quoted		
	(i)	Share		
		(a) Equity	Nil	
		(b) Preference	Nil	
	(ii)	Debentures and Bonds	Nil	
	(iii)	Units of mutual funds	Nil	
	(iv)	Government Securities	19.14	
	(v)	Others (please specify)	Nil	
	2	Unquoted		

Particulars				INR in Lakh		
Liabilities side				Amount outstanding	Amount overdue	
	(i)	Shares				
		(a) Equity		Nil		
		(b) Preference		Nil		
	(ii)	Debentures and Bonds		Nil		
	(iii)	Units of mutual funds		0.00		
	(iv)	Government Securities		0.00		
	(v)	Others (please specify)		Nil		
(6)	Borrower group-wise classification of assets financed as in (3) and (4) above:					
	(Please see Note 2 below)					
	Category			Amount net of provisions (INR in Lakhs)		
				Secured	Unsecured	Total
1	Related Parties **					
	(a)	Subsidiaries		Nil	Nil	Nil
	(b)	Companies in the same group		Nil	Nil	Nil
	(c)	Other related parties		164.356	Nil	164.356
2	Other than related parties			Nil	Nil	Nil
	Total			164.356	Nil	164.356
(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :					
	(Please see Note 3 below)					
	Category				Amount net of provisions	
1	Related Parties **					
	(a)	Subsidiaries		-		Nil
	(b)	Companies in the same group		-		Nil
	(c)	Other related parties		-		Nil
2	Other than related parties			20.34		20.34
	Total					Nil
	** As per notified Accounting Standard (ICAI Please See)					
	*Cost or market value whichever is lower.					

40 DISCLOSURES AS REQUIRED IN TERMS OF RBI NOTIFICATION NO. DOR (NBFC).CC.PD. NO.109/22.10.106/2019-20 DATED 13 MARCH 2020 ON IMPLEMENTATION OF IND AS ARE MENTIONED AS BELOW:

As at 31 march 2022						INR in Lakhs
Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS 109	Loss allowances (Provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5) = (3) - (4)	(6)*	(7) = (4) - (6)
(a) Performing Assests	Stage-1	22279.95	277.35	22002.60	89.12	188.23
Standard	Stage-2	11129.51	331.41	10798.10	44.52	286.89
Sub Total (a)		33409.46	608.76	32800.70	133.64	475.12
(a) Non-Performing Assests (NPA)						
(i) Substandard	Stage-3	1141.51	261	880.51	114.15	146.85
(ii) Doubtful upto:						
1 Year	Stage-3	181.09	9.54	171.55	36.22	-26.68
1 to 3 Years	Stage-3	333.96	21.82	312.14	100.19	-78.37
More than 3 Years	Stage-3	65.77	3.96	61.81	32.89	-28.93
Sub Total (ii)		580.82	35.32	545.50	169.30	-133.98
(iii) Loss		-	-	-	-	-
Sub Total (b)		1722.33	296.32	1426.01	283.45	12.87
Grand Total		35131.79	905.08	34226.71	417.09	487.99

* Computed on the value as per the IRACP norms.

The disclosure requirement of the policy for sales out of amortized cost business model portfolios of the Company is not applicable to the Company as it has FVOCI business model.

In terms of our report of even date attached

For Valawat & Associates

Chartered Accountants

FRN: 003623C

For and on behalf of the Board of Directors

Sd/-

N.K. Valawat

(Partner)

Membership No. 072637

Sd/-

Nirmal Kumar Jain

(Managing Director / Chairman/CEO)

DIN: 00240441

Sd/-

Rajendra Chittora

(Director)

DIN: 08211508

Place: Udaipur

Date: 30-05-2022

Sd/-

Rajni Gehlot

(Chief Financial Officer)

PAN: BGEPG8519D

Sd/-

Ramesh Kumar Jain

(Director)

DIN: 07441707



REGISTERED OFFICE :

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CORPORATE OFFICE :

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Goregoan East, Mumbai - 400063 | Tel: +91-8828036610